

# My eBay Secrets

I've been more or less successfully selling items on **eBay** for several years now. So, I thought I'd gather together some guidelines. While not all eBay professionals fully agree with all these tactics, here are some of the concepts that seem to be working for me...

## Some Fundamentals

The surest way to succeed on eBay is to **offer highly unique products which are not available elsewhere**. Products with which you are intimately familiar and might eventually become an expert in.

As an example, we are the web's preeminent supplier of **water soluble swimsuits**. In addition to our bargain test equipment, "kiss your ass goodbye" nuclear memorabilia, unusual sensors, and other **truly bizarre items**.

Your second success rule is to **always be scrupulously honest**. Misrepresenting or not delivering items is a certain route to failure. You should **be prompt and professional** in all of your eBay dealings.

Most eBay sellers end up paying themselves less than prison wages. If you cannot continuously generate around \$140 per day from eBay sales, your efforts are probably best spent elsewhere. **A minimum of 51 items continuously listed at any time is recommended**. Assuming seven of these hit per day for an average net-net profit of \$20 each, you can barely meet this minimum income goal.

It takes bunches of time and effort to do this job right. Especially those tasks you do not like or are not good at. **Be willing to commit yourself to the needed work**.

It is best to offer a **companion web site**. One that can generate linking traffic, resell related items, handle secure transactions, and provide tutorials and other resources for potential buyers. Given the proper linking and promotion, these two should complement each other nicely.

Because it is not a good idea to relist an item before an older one is sold and closed, use **threads** instead. A thread is a group of related products. Say you stock four different NDT eddy current probes. Run them in the same thread.

Try to choose some "intellectual but vaguely mystical and subtle" eBay user name. Like Bee did with **Abeja**.

Avoid tainted auction categories and items that other buyers or sellers have trashed. Bogus collectibles, software or concert copies, and "too good to be true" laptop pricing come to mind as obvious examples.

**Never** sell something you feel bad about. Unless you do so at a rock bottom price and clearly spell out **exactly** why the vibes are bad.

## Getting Stuff

Because many eBay selling prices are often well **under** wholesale or distributor costs, there is usually **no way** you can profit on eBay by buying wholesale and selling online. And while a very few people can sometimes do fairly well gambling on "truckload liquidations", most of these end up as outright scams.

My rule for eBay success is to **always seek out a 30:1 or higher return ratio between the product cost and its average eBay selling price**. Such returns quickly erode to barely living wages after you allow for any unsellables, all operating expenses, repair costs, travel, storage, and all of the usual nickel and dime gotchas.

Almost always, it pays to **lead off with your personal value added**. This should contribute the lion's share to the buyer's perceived value.

Achieving acceptable eBay margins **demands** buying in huge quantities of deeply distressed, wildly assorted, and grossly underappreciated merchandise. Preferably in need of slight cleaning and minor repair. Obvious but largely penny ante first choices are junk in your Aunt's attic and unpopular yard or estate sales.

For me, the sources that have worked out the best are both traditional or newly privatized military surplus sales, remote community college auctions, and dot.com or other tech bankruptcies. Useful links to these and other sites are found at [www.tinaja.com/auct01.asp](http://www.tinaja.com/auct01.asp). Your best ploy is to consistently seek economically inefficient markets. **If more than five percent of your offers are accepted, you are paying too much**. Naturally, you make up for a 5% success rate by bidding on **twenty times** as much stuff as you could possibly use.

I try to keep most of my offers at one sixth of a penny per dollar of original costs. I'll sometimes go up as high as a quarter cent if it is something I really want. **If someone bids against me, I walk away**. One tip: Some sealed bid sales require even full dollar bid increments. Be sure to bid as **early** as possible on these offerings. Note that this is the exact opposite of effective eBay bidding strategy.

Two things to avoid at all costs are drop shipping and consignment sales. If your drop ship source fails to deliver, you'll take all the flak and all the losses. And selling for a friend is a near certain way to lose that friend. If you must do consignment sales, quote a minimum 50% commission over and above a \$90 per item placement guarantee.

But both these bad scenes are best avoided.

## Listings

The foremost listing rule, of course, is **the more you tell, the more you sell**. Make your descriptions accurate but slightly understated. Clearly show minor flaws. Spell out the shipping weight or cost. Provide active links to supplier websites or tutorial use info.

Provide a link to your own website. The website prices should be higher than your eBay opening bids.

Make every title word count. Keep **L@@K!** and anything else cutsey-poo out of your titles. Pick the most suitable category. If in doubt, check where others have sold.

Absolutely **no backgrounds, sound effects, flashings, animation, or music**. Stay sharp and clean. **Always** be sure to include one or more images.

Be sure to **strictly limit your terms and conditions to ten words**. Or twenty words absolute maximum. More than this labels you as an undesirable eBay seller to be avoided at all costs. Avoid using restrictive or negative statements **anywhere**. But clearly state all defects.

Learn and use HTML. Especially for any space between paragraphs, useful links, and additional images...

**<p> Bracketing paragraphs creates attractive vertical white spaces between them. </p>**

**<p> Click for <A HREF="http://www.tinaja.com"> Our Website </a>. </p>**

**<p> Use this code <IMG SRC=your\_pix-filename> to add extra images or photos. </p>**

Good HTML titles are on our [Book Access](#) page.

Naturally, there should be no religion or politics or pets or sob stories or guilt trips anywhere in your eBay listings. Nor anything else that is not tightly focused on selling the exact item listed. In a truthful and exciting manner.

I've found the free [QuickPhrase](#) generator to be very useful for entering eBay listings.

## Images

I've consistently found that decently done images should double or even triple your final prices. I strongly feel that **at least two hours should be spent very carefully post processing your images**.

If you use a digital camera, I'd recommend a minimum of 3 Megapixels. Being able to record as an **uncompressed bitmap** is an absolute must. I normally prefer to use a scanner instead of a camera, since it gives me around fifty times the resolution.

Crucial details on all these techniques first appeared in [IMAGIMAG.PDF](#). Newer info is seen on our [Auction Help](#) and [Blatant Opportunist](#) library pages.

It is important to do your image prep double size, so that any jaggies will anti-alias. My prep normally consists of knocking out all the background and replacing it with a slightly mottled pastel. This reduces final artifacts.

Horizontal and vertical edges are rectified to one pixel accuracy. Most shadows are reduced or eliminated, as are any scanning defects. Lettering legibility will be improved, sometimes with a total reworking.

Appropriate IP watermarking is also done.

While others use [Adobe Photoshop](#), I prefer to work in plain old Paint instead. When the image is exactly the way

I want it, I'll next switch to Arcata Pet's [ImageViewer 32](#). I'll first do a 50% reduction to anti-alias. Then a crop and rotate as needed. Followed by a brightness, contrast, and gamma improvement. And a final sharpening. But **a little sharpening goes a long way**. So, use only half of what you think you need. The picture is finally saved as a high quality compressed JPEG format.

Your images are sent via FTP to your ISP.

Some of my image examples can be found [here](#) and [here](#). Custom image work is available [here](#).

## Getting Paid

The fundamental secret insider rule to a successful eBay venture is **no pissing around!** Auction closes. Payment made. Item shipped. Wham. Blam. Outtahere. Preferably within minutes and **never** leaving your house. Certainly **never** driving anywhere or standing in line.

Your best possible payment route is VISA or MasterCard done using a secure link to **your own website**. Although [Paypal](#) or [Billpoint](#) can work and may actually end up a tad cheaper than lower volume VISA fees.

Our strict terms maximize results for us: **VISA/MC or Paypal/Billpoint only**. We have conclusively found that the check, cash, or money order buyers are often problem oriented. Besides delaying a newly uncertain closure by weeks. And purposely aligning themselves with felons, losers, credit risks, and societal misfits.

We stopped doing COD's years ago when our return rate exceeded 26%. Compared to the negligible fraction of one percent for VISA/MC/Paypal.

You undoubtedly will be accosted by some wildly misinformed epsilon minus who claims you have to accept cash or cash equivalents by federal law. Uh, this "not even wrong" myth confuses a debt with a contract. If necessary, send them to this [US Treasury Site](#) to set them straight.

I also strictly enforce **No foreign bidders. No foreign buyers. No foreign transshipments**. First, because our military suppliers contractually demand we do so through signed end user agreements. But mostly because we have consistently found foreign sales to be **an appalling loss of time, energy, money, and sanity**.

Tiny little things like the Canadian post office refusing to accept my first class mail. Or sitting in a bank for hours before they decided to (just this once) use the Canadian exchange rate on a check from a Nova Scotia bank.

Minus a 75% service fee, of course.

Life is too short to **ever** again fill out a stupid little green customs sticker at the post office. Or to have the buyer ask you to commit an international crime by lying on it.

The bottom line is this: **If you succeed with domestic sales, you do not need foreign involvement**. If you do not, then the extra costs and hassles will not help you.

## Closing Your Sales

As soon as a sale ends, we email contact the buyer and advise them of payment options and shipping costs. If we have additional stock, we also ask them how many they would like. And refer them to our website [Bargain Pages](#) for related items.

We will sometimes contact the first and second runner up bidders to advise them of availability. You should **not** mine your entire list of bidders, especially those bottom

feeding bargain hunters who might be snitches.

You should **never** steal a buyer from another seller. If you have an exceptionally specialized item it is **rarely** appropriate to notify another seller's runner up bidders well **after** their sale closes.

Should a buyer be slow responding, a week later we send out a polite "We haven't heard from you" email note. If we feel there is a comm problem, we get a phone number from eBay and try to make voice contact.

The next step (after 7 days but before 45 days) we will request from eBay a **non paying bidder alert** following their help guidelines. Should that not do the trick, between 10 and 60 days after the NPB alert, we file a FVF or **Final Value Fee Credit**. This gets you half of your eBay fees back; the listing fee comes back on a free successful relist.

Add-on fees (such as gallery or reserves) are lost.

A bidder alert does not penalize the buyer. But FVF notices do. eBay will automatically file a FVF for you if the buyer has become NARU, short for **Not a Registered User**, and meaning they have been flushed.

An eBay sale is in fact an enforceable contract under the Uniform Commercial Code. But it is usually pointless to go beyond a FVF and possible negative feedback. **Don't sweat a NPB. Relist and get on with your life**

If you find too many of your sales not closing, you are selling the wrong stuff to the wrong people.

Or should not be on eBay in the first place.

## Guarantees and Refunds

An important goal of ours is **no unhappy buyers** We'll first try to get our descriptions accurate enough that it is painfully clear what we are selling. Should we find a totally clueless buyer, we will not force the sale.

Filing instead for a "mutually agreed" FVF refund.

We have an unadvertised and unconditional guarantee policy on all items sold. To block "window shoppers" and similar problems, we do conspicuously offer a fifteen day inspection privilege on our bigger ticket items. In which the buyer pays **all** shipping. Both ways. Having to put cash up for an inspection deters potential scammers and ripoffs.

Yet is quite reasonable for serious buyers.

The buyer can return for any reason. Should we in fact have mislead the buyer or sent a broken item, we will also refund all shipping fees. At our option.

What usually happens is that you will offer a refund and then never hear from the buyer again. Often they end up happy. Possibly they made some dumb operating mistake, managed to cheaply fix the problem, or else decided they still got a real bargain. Or went on to other things.

Should you have an obnoxious or problem buyer, our "no pissing around" rule tells us to give them one and only option: A prompt and polite full refund of all costs. Take it or leave it. **No other adjustments!** After which they are history and are blocked from further bidding.

Our total problem sales have been typically well under a fraction of a percent.

## Reserves, Dutch Auctions, and Buy It Now

A **reserve** should be just that: Your absolute minimum bare bones net-net-net price you are willing to accept for an item. Most eBay buyers do not like reserves and eBay charges you extra for them. In general, auctions without a

reserve will bring a higher ending price.

Reserves do lock in bargain basement bidders. And give you "insurance" against eBay going down at precisely the wrong time. They keep any Buy It Now offer visible much longer. They can also be a marketing tool to establish value when you have large quantities of a new item.

Even so, reserves are best avoided. Especially if you have already sold similar items at acceptable prices. If anybody asks your reserve price, tell them. But don't advertise it.

I use reserves on higher value items, because I am not about to give away a Tektronix Oscilloscope or anything similar. There is a fine line between no bidders, one bidder, and two bidders fighting each other.

A **Dutch Auction** lets you sell more than one item at a time. But the items do have to be identical and any choice options are not permitted. More often than not, **a Dutch Auction often closes at your opening bid price**. These are closer to a fixed price sale than a true auction. Only if your Dutch Auction gets oversubscribed do you receiver higher per-item payments.

Dutch Auctions are well suited to lower cost items that buyers can group to save on shipping charges. But watch your total quantity offered, since eBay listing fees assume all Dutch items will sell.

**Buy It Now** does exactly what it sounds like. It gives the buyer the option of closing the auction immediately for a certain sale. BIN appeals to industrial buyers when they do not want to sit around playing games.

Our usual BIN strategy is to set it **thirty percent above** our normal closing price expectation.

## Promoting Your Auctions

Your first step in auction promotion should be using your best possible title line placed in the best possible category. I've also found eBay's quarter gallery to be useful. But feel their other placement options are not cost effective.

Your second promotion step is to use your own tightly linked web site. Have clickable **AUCTION** buttons on **every** page. Plus special auction tutorial pages. Along with your **What's New** mentions. Be sure to provide back links from eBay to your site as well.

Your third promotion step is to use carefully targeted Usenet newsgroups. But **only** those groups which do allow product announcements. Be certain to preface all of your posts with an FA: as in **"For Auction"**. Keep all of your announcements terse and occasional. Mention several items per post. Always make lots of useful noncommercial contributions to the group's message flow.

Your fourth promotion step is to establish yourself as **the** place to go for the items you are selling. Seeking out repeat traffic from eager buyers.

## Storage and Control

In a word: **triage**.

It is super easy to bury yourself in worthless junk. Even if that large Hewlett Packard plotter makes a graciously understated credenza for your dining room. And it was really unfair to call the load bank that sat in our driveway for over a year a white elephant. Because it was a perfectly normal gray elephant color. And size.

Continuously triage your inventory. For hot and useful items, for possibly salvable stuff, and for any useless junk.

Flush the junk. Even if you have to take a loss on it or if the feds once paid a fortune for it.

We use a mix of rental units, onsite oversize doghouses (that your tax dollars paid \$85,000 each for), and internal home storage. You should be able to instantly inventory all of your better selling items. Keep them all strictly separated from the "maybe" stuff.

On stuff needing repair, note that **you can use eBay as a lending library**. Buying a tech manual, using it, and then reselling it. Often for more than you paid.

I'd recommend a **"last in, first out"** or LIFO approach. You are probably most excited about your newest buys. Get at least few of them up and out the door. If for no other reason to get your latest purchases into the black.

Note that the top half of storage units rarely gets used efficiently. You can dramatically cut your storage needs by always **stacking your stuff as high as you can**. Bizarre shelving is often available for less than \$5 at local auctions. Mix and match as needed for efficient storage.

Try to create a balance between acquisition, inventory control, and successful eBay or website disposal. Always try to **sell your higher value items first**.

### Protecting Your Images and Ad Copy

I have found that decent images can dramatically improve your final selling prices. Such images can represent many hours of valuable time and creative effort. Certain sleazoids sellers on eBay may try to steal your images or ad copy and use them without your permission.

This, of course, is a big eBay no-no.

Firstoff, you should clearly spell out all your intellectual property rights on your **My eBay** page and then join eBay's VERO or **Verified Rights** program. eBay will usually **not** assist you unless you take these necessary first steps.

Once you are part of VERO. eBay will usually instantly stop any offending auction on request. Do be sure to use one of their **Time Sensitive** email links.

Second, you should watermark all of your images to establish proof of ownership. Having an undercropped and uncompressed 2X original bitmap is a good start. Another name for watermarking is **steganography**. I've listed some good books on our **Book Access** library page.

My approach to watermarking is to make a few subtle and benign changes to the images that convert them into unique works of art. Such as interchanging the FOCUS and INTENSITY knobs on an oscilloscope. Being sure, of course, that you don't do anything that significantly misrepresents your offering. Such watermarks are exceptionally resistant to recoding, copying, cropping, or recompression.

Subtlety is crucial.

One advantage of eBay's photo hosting service is that it may reduce image ripoffs. Still, I overwhelmingly prefer to use my own images on my own website.

You can easily find out when anybody is stealing your ISP hosted images. Do this by inspecting the log files your ISP is supposed to be providing you. Better ISP's will also provide reporting services, such as **Webtrends**. You can click here for one of our **daily Stats** examples. Note those **Top Referring URL's** in the **Referrals and Keywords** section. Custom log file manipulators are easily done. See several examples in our **PostScript** library pages. Try our **InfoPack** service for personal help.

Ripoff sellers are usually dumb enough and lazy enough that they simply link to your own image on your site. One fiendish ploy is to temporarily alter or else substitute your image being stolen. Such as an appropriate subject busily pioneering new methods of animal husbandry.

### Feedback

eBay has an elaborate feedback system that keeps track of buyer and seller performance. While useful, remember that **feedback is an elected option**. It has **nothing** to do with the actual buying and selling transactions.

We normally leave our feedback once the buyer reports receiving the item. Based on the concept of **It ain't over till its over**. There is nothing more infuriating than to get wrongly slammed by a buyer who you've just irrevocably praised. On the other, hand, "holding feedback hostages" till the other side says something nice leads to a Mexican standoff. Or worse.

We never use neutral feedback and use negatives only when other eBay sellers are likely to suffer grief.

Some sellers unfairly discredit zero feedback buyers. Our experience has been the opposite, with somewhat **fewer** problems. Buyers may come to eBay just to bid on one of our test equipment or other tech items.

And, of course, everybody has to start at zero.

### Shills, Snipers, Snitches, and Stompers

A **shill** is a friend of the seller (or the seller themselves) who tries to drive up an auction price. At a real auction, these are plants in the audience or simply a crooked auctioneer taking nonexistent "off the wall" bids. Besides being really dumb, shilling on eBay is against the rules. Your defense against a shill is simple: **Always bid your max. Only do so once very late in any eBay auction**.

A **sniper** is someone who "steals" an auction at the last second by ending up (strange as it may seem) the highest bidder. Newbies get infuriated by snipers because they appear to outbid by only an increment, rather than by the snipers true proxy bid. Sniping, of course, is the holiest sacrament of the eBay religious experience. And not to be messed with. As with shilling, your defense against a sniper is to **Always bid your max. Only do so once very late in any eBay auction**. Which is worth repeating.

It is virtually impossible to stay strictly within all of the exact rules at eBay and still make a profit. Some bending of the more minor rules and occasional wandering off into gray areas is the norm. **So long as your potential buyers are not in any manner deceived or short changed**. A **snitch** is someone who "tells" on you and causes you grief. Usually because they just made a really stupid mistake and want to blame somebody else. But sometimes to force their own badly misguided perceptions of morality on you. And occasionally, to cause grief to a more successful competitor.

eBay Power Sellers (those who do meet minimum sales volumes) seem to have a modest edge over snitch attacks. Our approach has been to become a Power Seller but to never mention or flaunt it. And certainly never list it.

Power Sellers are disliked by some buyers.

Snitches are despicable and should get staked to the nearest anthill. And left their till the next meeting of the steering committee.

A **stomper** is someone who gleefully bids early on an

auction solely to make the Buy It Now price go away. Their theory is that nobody else will know the value, so they will later be able to steal the item. A partial defense against stompers is to use a reserve price. The Buy It Now option remains till the reserve is met.

### Shipping Charges

It is amazing how many eBay buyers do not have the faintest clue that **it costs time and money to ship stuff**. Or that most industrial suppliers insist upon \$50 or higher minimum orders. On the other hand, there are a very few incompetent sellers who grossly overcharge on shipping to get around eBay fees. Or to create a bargain illusion.

Quite simply, **your shipping policy should be both revenue neutral and clearly stated**.

We overwhelmingly prefer United Parcel Service for our larger items. You use their free barcode software, dump the items in your front yard, and they all magically disappear into a big brown truck. While it gives UPS management fits, we use **pickup flags** the drivers dearly love.

We normally state our shipping charges in pounds of weight rather than dollars. Potential buyers can find their charges at **UPS Online**. Except for priority mail, a fixed shipping charge unfairly subsidizes those living far away at the expense of those nearby.

We always send a shipping email confirmation with the tracking numbers. This gets rid of the "Is it here yet?" types who now can now hassle UPS rather than us.

We try to ship within one day of payment confirmation. We go out of our way to thoroughly clean, reasonably test, and ruggedly pack stuff, because one broken item hurts you dearly. Most of our shipping supplies are free, gotten from local merchants or other associates.

There's an UPS weekly truck stopping charge that works out to sixty cents or so per parcel. We approximate this for revenue neutral and add this to our charges. But we do not charge for shipping tape or similar "handling" items.

It is interesting to think of shipping charges as a tax or a bribe. Dollars the buyer pays that you don't get to keep. An obvious guide is to **keep those weights down and your value up**. Whose corollary is to **never sell anything on eBay that you cannot hold extended at arm's length**. If you have some very low value items, consider grouping them into "sets" or using Dutch auctions. Where buyers will buy more than one for shared charges.

We do use priority mail for stuff that nicely fits a one pound box. But we **never** use cheaper mail services. They are simply not worth the problems they create. Limit your post office waiting in line time wasting to a **five minutes per month** absolute maximum.

When do you have to deliver? The law says that if you cannot ship within 30 days after payment, you have to send a notice saying when you will ship. If you cannot ship within 60 days of payment, you have to send a notice **that the buyer must respond to** to close the sale.

Naturally, the sooner you ship, the better. But buyers delivery expectations can often be way out of line.

### Profits and Fees

There's all sorts of individuals out there who get really upset over eBay's "exorbitant" fees and "outrageous" profits. Or their treating their higher volume customers favorably.

Well, as someone who has done both brick & mortar and direct mail sales for many years, I can assure you that **eBay is overwhelmingly by far the finest and the most cost effective marketing tool available today**. Or, for that matter, anytime ever. So long as they continue to be so, I will gladly pay their utterly negligible fees.

If eBay wants to get filthy rich, more power to them. I certainly do wish them well. They are to be congratulated rather than class action sued.

### For More Help

There's a newsgroup at **alt.marketing.online.ebay**.

But note this is an open public forum and you can (and will) get sued should you say anything bad about anybody specific. Regardless of the truth.

I've got all sorts of auction assistance links and tutorials up on my **Auction Help** library page. Especially useful are the handy tools from **Vrane** and **Quick Phrase**. Custom assistance is available through our **InfoPack** and related consulting programs.

Let's hear from you. ♦

*Microcomputer pioneer and guru Don Lancaster is the author of 35 books and countless articles. Don maintains a US technical helpline you will find at (928) 428-4073, besides offering his own **books**, reprints and **consulting services**.*

Don also offers surplus bargains found on **eBay** and on his **Bargain Pages**.

Don is also the webmaster of **www.tinaja.com** You can also reach Don at Synergetics, Box 809, Thatcher, AZ 85552. Or you can use email via **don@tinaja.com**

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