

# Getting Comfy with the Spirit of eBay

**T**he online world is spawning all kinds of businesses (known as *e-commerce* to the technorati), and eBay is the superstar. You've probably got the drift about eBay by now. Since its beginnings in Pierre Omidyar's kitchen, eBay has become a household word. Even if you're not into pop culture, you still find mentions of eBay all over the place. Pierre and his buddy, Jeff Skoll, had a pretty great idea back in 1995; they created a safe and fun place for folks to shop from the comfort of their homes.

Originally, the site grew — person by person — across the country (and soon around the world) as people peddled their own stuff from their homes and collections. Now, eBay is also a marketplace for new merchandise. People figured out a way to buy at wholesale and resell merchandise online for a profit. Nowadays you can purchase new and useful items, such as alarm systems, fancy electronic toothbrushes, batteries, clothing, cars, homes — just about anything you can think of.

## Chapter 1

### Get ready to...

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Take a look around your house. Vintage designer dresses? Elegant antique shaving set? Great-looking clock! Not to mention all the other way cool stuff you own. All these great fashions, household appliances, and collectibles are fabulous to own, but when was the last time your clock turned a profit? When you connect to eBay, your PC or Mac can magically turn into a money machine. Just visit eBay and marvel at all the items that are just a few mouse clicks away from being bought and sold.

In this chapter, I clue you in to what eBay is and how it works. Not only can you buy and sell stuff in the privacy of your home, but you can also meet people who share your interests. The people 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. It's like Cousin Joyce's giant online potluck party — but instead of bringing a dish, you sell it!

### *Check Out What Happens on eBay*

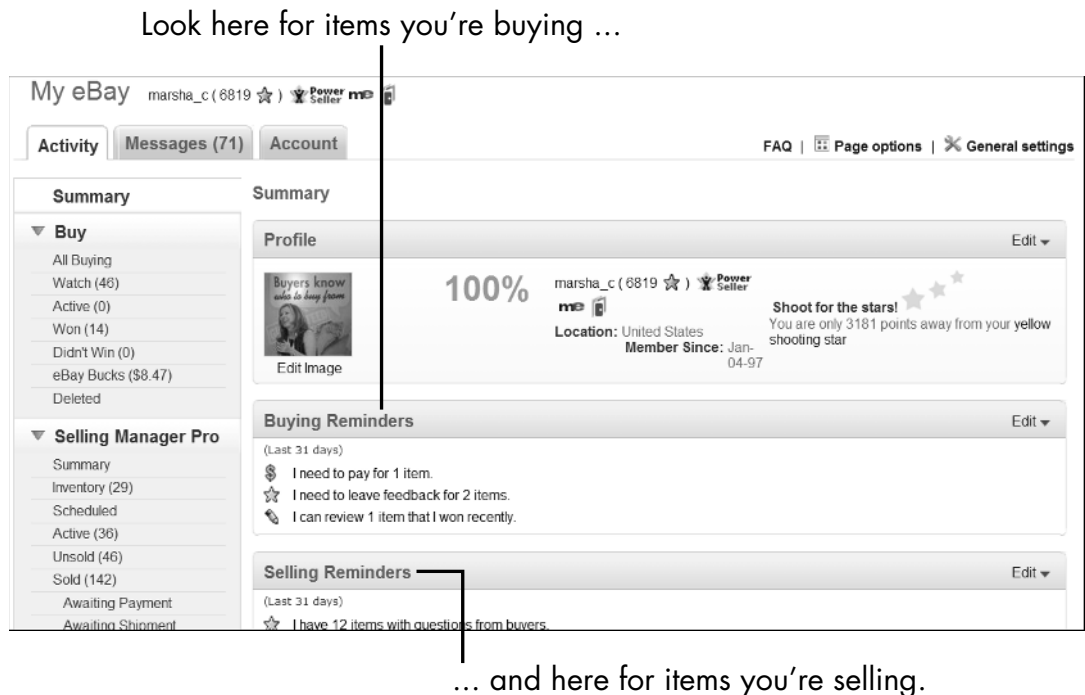
1. Start with this important fact: eBay *doesn't* sell a thing. Instead, the site does what all good hosts do: It creates a comfy environment that brings together people with common interests. eBay puts buyers and sellers in an online store and lets them transact business safely within its established rules.



Think of eBay as the buddy who set you up on your last blind date — except the results may be 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.

2. Join eBay's online marketplace; all you need to do is fill out a few forms online and click. You can become a member with no big fees, silly hats, or secret handshakes. After you register, you can buy and sell anything that falls within the eBay rules and regulations. (Chapter 2 guides you through the registration process.)

3. Understand that the eBay home page is where the general public first visits eBay. The visitors conduct searches, find out what's happening, and begin to browse the site. Because you're *not* the GP, I show you my favorite place to start the day on eBay: the My eBay page, shown in **Figure 1-1**. From the My eBay page that you create, you can keep track of every item you have up for sale or have a bid on.



**Figure 1-1**



You can read more about the eBay home page and find out more about My eBay in Chapter 3.

4. Embrace item listings; you see lots of those on eBay (and one example in **Figure 1-2**). If you're looking to become a seller, creating an item listing page on eBay is as simple as filling out a form. (Maybe not *so* simple, but that's why you bought this book. Chapters 12 and 13 run you through the entire process.) Merely type the name of

your item and a short description, add a crisp digital picture, set your price, and voilà — it's money time. Keep in mind these characteristics of selling an item:

- **eBay charges a small fee** (sometimes it's even free during promotions) for the privilege of putting your item on the site. When you list your item, millions of people (eBay has over 100 million registered users) from all over the world can check out your goods and buy or place bids if you've listed an auction.
  - **Other eBay members must bid on your item** for you to make money on an auction listing. With a little luck, a bidding war may 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 either through a PayPal or with a credit card through a payment service. Then you ship the item. Abracadabra — you just turned your item (everyday clutter, no doubt) into cold, hard cash.
  - **You can run as many listings as you want**, all at the same time. To get info on deciding what to sell, leaf through Chapter 11, and to find out how to set up a listing, jump to Chapter 13.
- 5.** Discover the process for finding what you want on eBay. If you're a collector or you just like to shop for bargains on everyday goods, you can browse 24 hours a day through the items up for auction in eBay's tens of thousands of categories, which range from Antiques to Writing Instruments (see **Figure 1-3**). Use eBay's search feature — available from any eBay page — to find the item you want. Then 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.

## Chapter 1: Getting Comfy with the Spirit of eBay

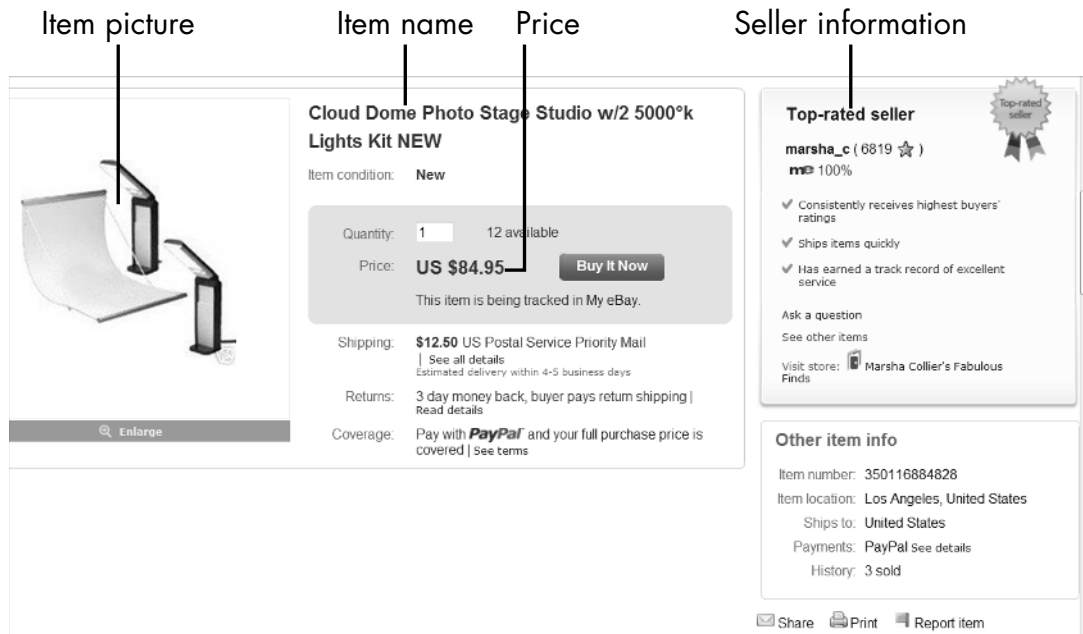


Figure 1-2

Click any More button for more categories.

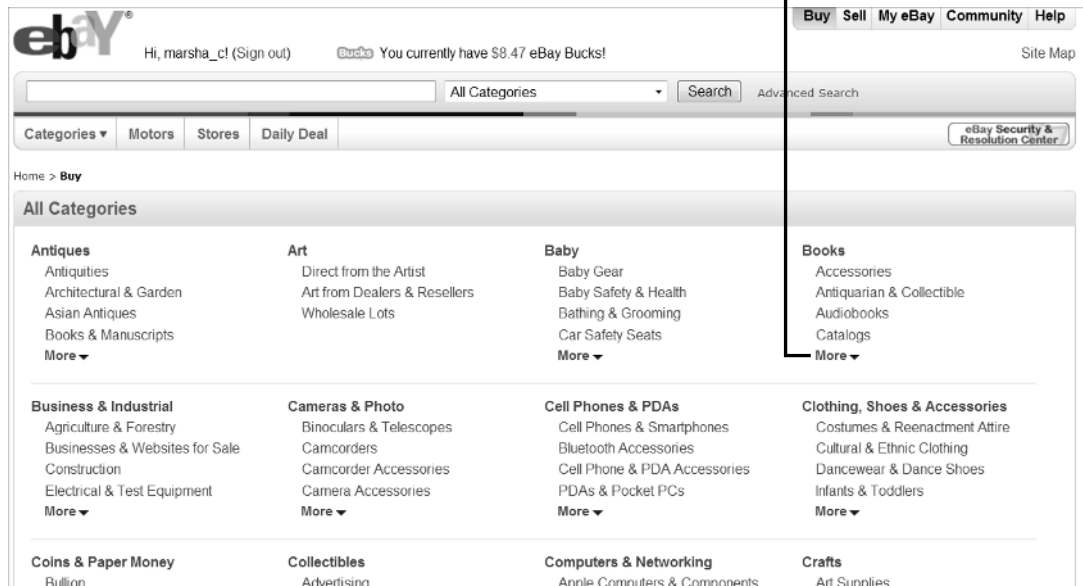


Figure 1-3



When I wrote *Santa Shops on eBay* (Wiley), I had a great time visiting the different categories and buying a little something here and there — it's amazing just how varied the selection is. I even bought some parts for my pool cleaner!



Take a look at Chapter 4 for the easy way to find items to buy. When you see an item you like, you can set up a bidding strategy and let the games begin. Chapter 6 gives you bidding strategies that can make you the winner.

### *Know eBay's Role in the Action*

1. Recognize eBay as your online auctioneer. Throughout the auction process, eBay's computers keep tabs on what's going on. When the auction or sale is over, eBay takes a percentage of the final selling price and enables the buyer to check out and pay for the item. At this point, eBay's job is pretty much over, and eBay steps aside.
2. Use eBay's expertise to find solutions. 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.
3. Get familiar with eBay's feedback system. eBay regulates members with a detailed system of checks and balances known as member-to-member *feedback*, which I describe in Chapter 5. The grand plan is that the community polices itself under eBay's guidance, as follows:
  - eBay jumps in when shady activity comes to light. But those 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 buy an item, 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, your feedback sticks to you like glue. As a preview, posted feedback looks like **Figure 1-4**.

All positive feedback!

7,650 Feedback received (viewing 1-25)		Revised Feedback: 0	
Feedback	From / Price	Date / Time	
Cool product. A+++ Museum Putty QUAKE HOLD Wax Quakehold Earthquake LARGE (#360171729835)	Buyer:  ( 403 ☆ ) US \$7.75	Aug-19-09 09:20 <a href="#">View Item</a>	
Just beautiful. Fast shipping. Pleasure to do business with. ...	Buyer:  ( 195 ☆ ) --	Aug-16-09 16:51 <a href="#">Private</a>	
Just beautiful! Fast and great shipping. Pleasure to do business with. MINT Vintag Barbie Repro SILKEN FLAME 977 RED FLARE 939 (#360172612674)	Buyer:  ( 195 ☆ ) US \$24.99	Aug-16-09 16:39 <a href="#">View Item</a>	
Thank you Museum Putty QUAKE HOLD Wax Quakehold Earthquake LARGE (#360171729835)	Buyer:  ( 227 ☆ ) US \$7.75	Aug-13-09 19:01 <a href="#">View Item</a>	
Arrived well packed & quickly - autographed to ME!! WOW! D :) NEW 2009 eBay For Dummies 6 MARSHA COLLIER Signed Book (#350236161863)	Buyer:  ( 82 ☆ ) US \$24.99	Aug-13-09 11:17 <a href="#">View Item</a>	
Great selling experience, great product!!! Museum Putty QUAKE HOLD Wax Quakehold Earthquake LARGE (#360171729835)	Buyer:  ( 100 ☆ ) US \$7.75	Aug-13-09 09:33 <a href="#">View Item</a>	
I am crazy for this stuff! Everything is finally straight and secure. Museum Putty QUAKE HOLD Wax Quakehold Earthquake LARGE (#360171729835)	Buyer:  ( 395 ☆ ) US \$7.75	Aug-13-09 07:11 <a href="#">View Item</a>	
This stuff can do anything. All pictures in house are now straight!!!!	Buyer:  ( 395 ☆ )	Aug-13-09 07:09	

**Figure 1-4**



Building a great reputation with positive feedback ensures a long and profitable eBay career. Negative feedback, like multiple convictions, is a real turnoff to buyers and can make it hard to do future business on eBay.

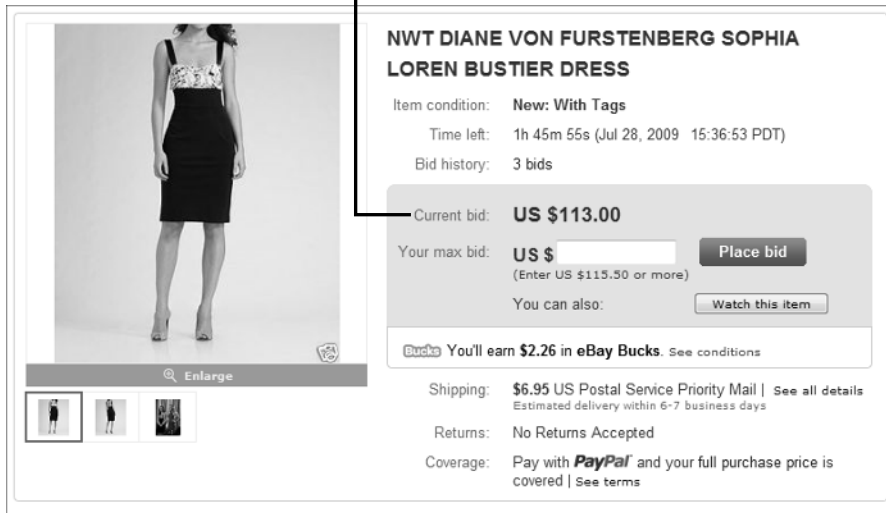
## Understand the Auction Process

1. eBay offers several 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

## Part I: Joining the Crowd on eBay

not known (it's determined by how much someone is willing to spend), as shown in **Figure 1-5**. As a result, an element of surprise is 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).

There's still time to beat this bid.



**Figure 1-5**

2. See how an auction works from both the seller's and bidder's perspective:
  - **Seller:** A seller pays a fee, fills out a 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 Sotheby's saying, "The bidding for this diamond necklace begins at \$5,000." You might *want* to bid \$4,000, but the bid won't be accepted. Sellers can also set a *reserve price* — sort of a safety net that protects them from losing money on the deal.
  - **Bidder:** Bidders duke it out over a period of time (the minimum is one day, but most auctions last a week or even longer) until one comes out victorious.



Big surprise, the highest bidder wins! The tricky thing about participating in an auction is that no one knows the final price an item goes for until the last second of the auction.



Unlike “traditional” live auctions that end with the familiar phrase “Going once, going twice, sold!” eBay auctions are controlled by the clock. The seller pays a fee and lists the item on the site for a predetermined period of time; the highest bidder when the clock runs out takes home the prize.

### Know How a Reserve Price Works

1. Reserve-price auctions have an extra feature. In addition to a minimum bid, which is required in any eBay auction, a *reserve price* protects sellers from having to sell an item for less than the minimum amount they want for it. An auction with a reserve is shown in Figure 1-6.

Notice the reserve has not been met.

**18 x 33 x 52 Oval Aboveground Swimming Pool**  
**Low Reserve**  
20 Yr Above Ground Warranty, A+ Better Business Rating  
Item condition: **New**  
Time left: 6 days 20 hours (Aug 27, 2009 18:27:00 PDT)  
Bid history: 1 bid

Current bid: **US \$0.98**  
Reserve not met

Your max bid: **US \$**   
(Enter US \$1.03 or more)

You can also:

**Ducks** You'll earn **\$0.02** in **eBay Bucks**. See conditions

Shipping: **\$359.98** Standard Flat Rate Shipping Service | See all details  
Estimated delivery time varies for this shipping service. Seller ships within 10 days

Returns: 30 day money back, buyer pays return shipping | Read details

Coverage: Pay with **PayPal** and your full purchase price is covered | See terms

**Seller info**  
[Redacted] (313 ☆)  
Power Seller 100%  
Ask a question  
See other items  
Visit store: [Redacted]

**Other item info**  
Item number: 130326035549  
Item location: Browns Valley, Minnesota, United States  
Ships to: United States, Canada, Mexico  
Payments: PayPal See details

Figure 1-6



Suppose you see a 1968 Jaguar XKE sports car up for auction on eBay with a minimum bid of only a dollar. It's a fair bet that the seller has put a reserve price on this car to protect himself from losing money. The reserve price allows sellers to set lower minimum bids, and lower minimum bids attract bidders. Unfortunately, if a seller makes the reserve price too high and it isn't met by the end of the auction, no one wins.

2. Nobody knows (except the seller and the eBay computer system) what the reserve price is until the auction is over, but you can tell from the auction page whether you're dealing with a reserve-price auction. You have to open the specific auction page to find out whether it has a reserve. If bids have been made on an item, the auction page also shows a message telling you if the reserve price hasn't been met. (Refer to Figure 1-6.)

### *Discover Listings That Not Everyone Sees*

1. If you're interested in bidding on items of an adult nature, look for eBay's Adults Only category where *restricted-access* auctions show up. These auctions are run like the typical timed auctions, but with access restricted to those eBay members over 18 and these additional requirements:
  - **A credit card on file.** Although you can peruse the other eBay categories without having to submit credit card information, you must have a credit card number on file on eBay to view and bid on items in this category.
  - **A terms of use agreement.** To bid on adult items, you first need to agree to a terms of use page after entering your user ID and password. This page pops up automatically when you attempt to access this category.

2. Some sellers choose to hold *private listings* (they can be either auctions or fixed price listings) because they're selling sensitive or expensive items. For example, a seller may know that some buyers are embarrassed to be seen bidding on a box of racy neckties in front of the rest of the eBay community. (I, also, am not crazy about the community knowing I'm buying Star Trek memorabilia — or even what lingerie I choose to buy.) And when selling big-ticket items, the seller may go the private route so that bidders don't have to disclose their financial status.

Private listings are run like the typical eBay listing except that each bidder's identity is kept secret. At the end of the auction, eBay provides contact info to the seller and to the high bidder, and that's it.

### *Bypass Bidding with Buy It Now*

1. You don't have to participate in an auction on eBay to buy something. If you want to make a purchase — if it's something you *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 fraction of the retail price without leaving your chair or waiting for an auction to end has its own warm and fuzzy kind of excitement.

2. If you seek this kind of instant gratification on eBay, browse the listings (see the Buy It Now button in **Figure 1-7**) or visit eBay Stores. You can also isolate these items by clicking the Buy It Now tab when browsing categories or performing searches.
3. Visiting eBay Stores (the home page is showing in **Figure 1-8**) is as easy as finding a store item in an eBay search or clicking the eBay Stores link from the home page.

## Part I: Joining the Crowd on eBay

Thousands of eBay sellers have set up stores with merchandise meant for you to Buy It Now. eBay Stores classify merchandise in categories just like eBay, and you can buy anything from socks to jewelry to appliances.

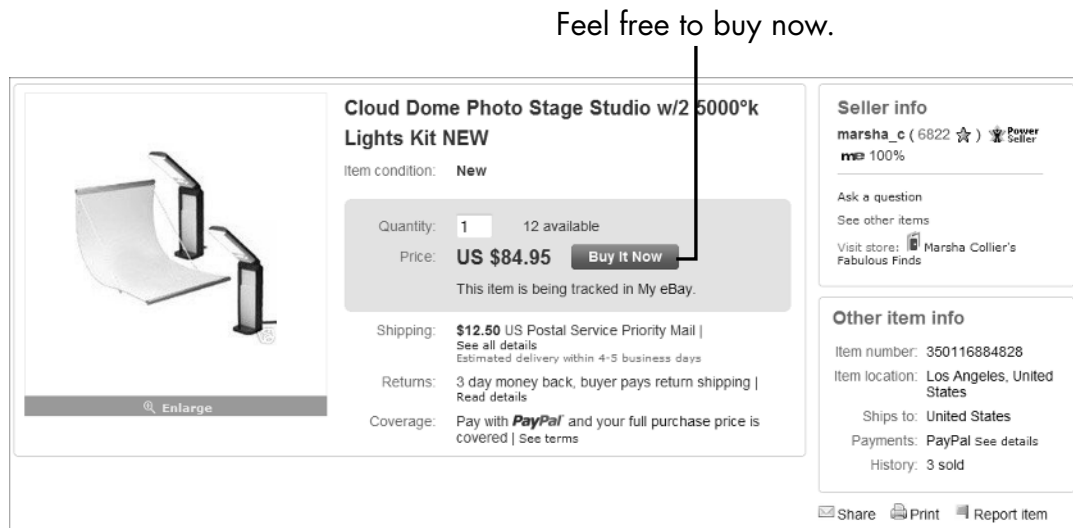


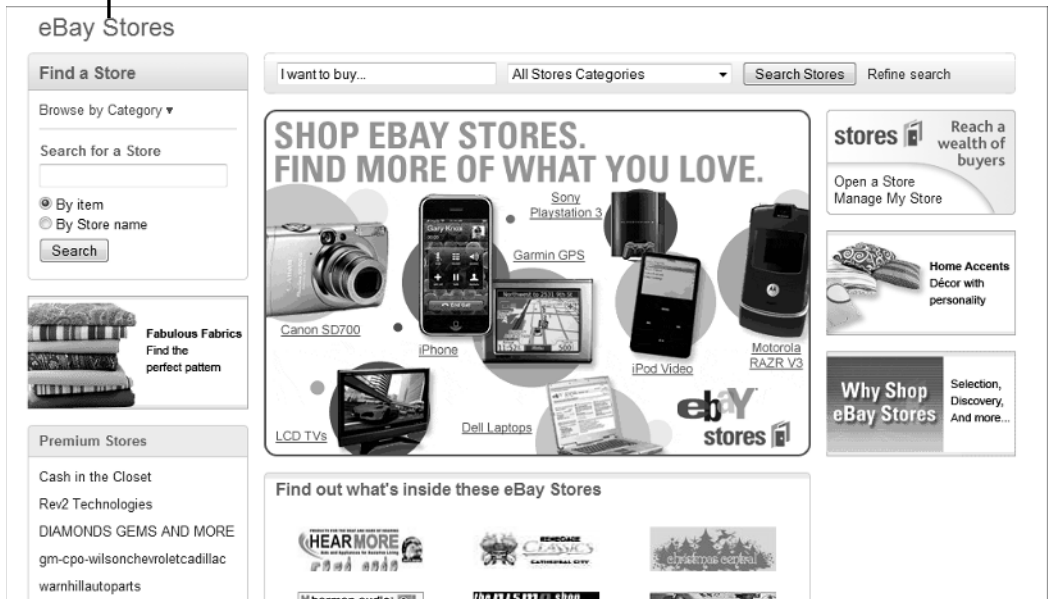
Figure 1-7



Sellers who open an eBay Store have to meet a certain level of experience on eBay, and when you buy from an eBay Store, you're protected by the same fraud protection policy that covers you in an eBay auction.

4. More and more sellers are listing auctions with a *Buy It Now (BIN)* option, which is available for single-item auctions. This feature allows buyers who want to purchase an item *now* to do so. Have you ever wanted an item really badly and didn't want to wait until the end of an auction? If the seller offers Buy It Now, you can purchase that item immediately. If you're the seller, you can entice your bidders to pay just a tad more to have the satisfaction of walking away with the item free and clear.

eBay has stores as well as auctions.



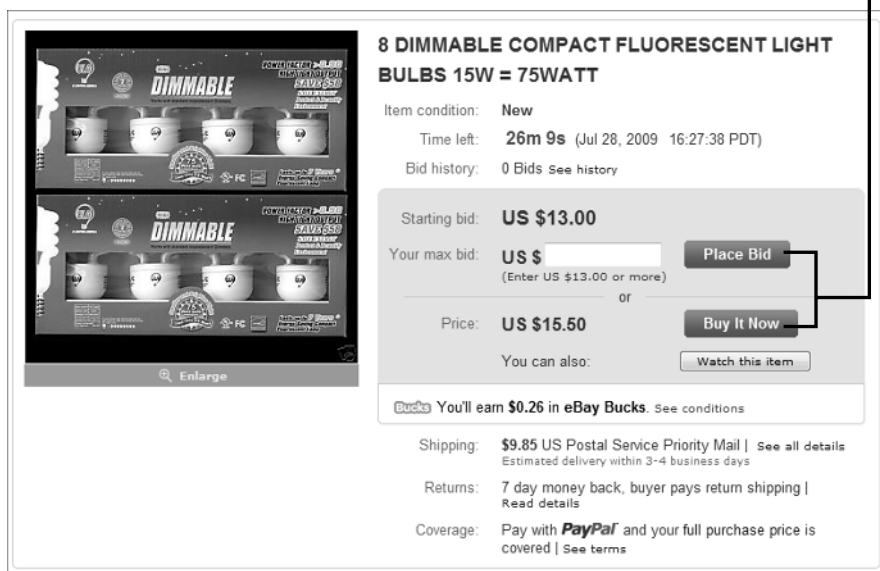
**Figure 1-8**



But there's a twist to the BIN option: The listing begins as an auction (see **Figure 1-9**). If the item receives a bid, the BIN option disappears, and the item goes through the normal auction process. If you want the item now, just click the Buy It Now button and the item is yours for the Buy It Now price.

5. Sellers with merchandise they're ready to sell often list an item at a fixed price. When they do, you can buy an item as soon as you see one at a price that suits you. For a variation on a fixed-price listing, the seller adds the *Make Offer* option, which enables buyers to make an offer for the item.

You can choose to bid or buy.



**Figure 1-9**



With the Make Offer option, the seller doesn't have to accept the offer: They can also turn you down (sad face) or make you a counteroffer. For more on how these sales work, check out Chapter 6.