

IN THIS CHAPTER

- » Learning about eBay
- » Figuring out your buying and selling options
- » Selling stuff for cash
- » Researching items to buy or sell
- » Knowing how eBay is protecting you
- » Using features and fun stuff

Chapter 1

Why Being on eBay Is Fun on So Many Levels

eBay emerged as *the* marketplace of the 21st century. Way back in 2003, *Wired* magazine predicted that eBay's promise was that "retailing will become the national pastime." Promise fulfilled: In 2018, worldwide online e-commerce sales topped \$2.86 trillion. The founder had a pretty great idea back in 1995 (read about some eBay history in the "eBay's humble beginnings" sidebar, later in this chapter), and the world has taken to shopping and selling online. eBay is a safe and fun place to shop for everything from collectibles to brand-new clothing and tech gadgets, all from the comfort of your home.

Once referred to as an "online garage sale," eBay is now also a marketplace for new merchandise. It's no longer just the destination for locating unusual collectibles and hard-to-find china patterns. These days major brands have signed up; you can purchase new and useful items, such as alarm systems, tablets, lightbulbs, clothing, cars, homes — just about anything you can think of.

Take a look around your house. Nice shoes (that you never wore). Spiffy artwork (that you're bored with). Great-looking clock (souvenir that doesn't match your décor). Not to mention all the other 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 mobile device 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 tell you what eBay is and how it works. eBay is today's gas-free alternative to driving and spending hours wandering through boutiques, big-box stores, or outlet malls looking for the perfect bargain or tchotchke. The site can also be your personal shopper for gifts and day-to-day items.

Not only can you buy and sell stuff in the privacy of your home, but through your connections on eBay, you can also meet people who share your interests. Those who use the eBay site are a friendly bunch, and soon you'll be buying, selling, swapping stories, and trading advice with your newfound friends via various social media outlets.

To get to eBay, you need to access the Internet. To access the Internet, you need a Windows PC, a Mac, a tablet with the eBay Mobile app, or simply a smartphone. (Inexpensive brand name Chromebooks can be found for under \$200.)

What Is eBay, and How Does It Work?

The Internet spawned all kinds of online retail marketplaces (known as *e-commerce sites* to Wall Street types), and eBay is the superstar as the people's marketplace. The reason it remains a leader is simple: It's where buyers look to do business with both big brands and small homespun family businesses. It's also where a quick look at the listings can give you a ballpark figure on how much an item is "going for" these days.



REMEMBER

eBay itself *doesn't* sell a thing. Instead, the site is a platform for selling and does what all good markets do: It creates a safe environment that brings together buyers and sellers. You can think of eBay as 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 soulmate. eBay puts buyers and sellers in an e-commerce environment and lets them conduct their business 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 fees or secret handshakes needed (you don't pay a fee until you sell something). After you register, you can buy and sell anything that falls within the eBay rules and regulations. (Chapter 2 eases you through the registration process.)

The eBay home page, shown in Figure 1-1, is your first step to finding all the kick-ass stuff you can see and do on eBay. You can conduct searches, learn about current promotions, and get an instant link to the My eBay page, which helps you keep track of every item you have up for sale or have a bid on. You can read more about the eBay home page in Chapter 3 and find out more about My eBay in Chapter 4.

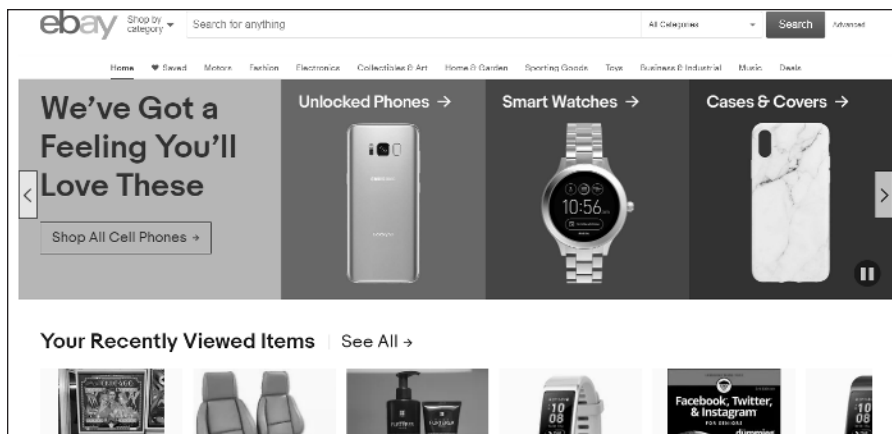


FIGURE 1-1: The eBay home page, your starting point for bargains and for making some serious cash.

Yikes! What happened? The eBay home page on your computer looks nothing like the one in Figure 1-1? Don't rub your eyes — even squinting hard won't help; eBay has a different version of the home page for those who have never registered on eBay — and customizes the page even if you're not signed in. If you have never registered on eBay, someone else who uses the computer may have done so already. Know that whatever version of the eBay home page you view, it has the same basic elements.

eBAY'S HUMBLE BEGINNINGS

The long-standing urban legend says eBay all started with a Pez dispenser. But as romantic as the story is (of the young man who designed the site for his fiancée to trade Pez dispensers), the story is, sadly, public-relations spin. The founder, Pierre Omidyar, had the right vision at the right time, and the first item he sold on the site (which was originally named AuctionWeb) was a broken laser pointer. Day by day, new people were drawn to the site from Internet chatter, including me in 1996. The site eventually grew (hosting 2 million auctions in January 1997) until it began to strain Pierre's ISP server. The ISP charged him more, so he started charging a small listing fee for sellers, just so he could break even. Legend has it that the day \$10,000 in fees arrived in Pierre's mailbox, he quit his day job and embarked on building an Internet legend.

(continued)

(continued)

The screenshot shows the eBay website interface from 1997. At the top, there is a navigation bar with links for HOME, LISTINGS, BUYERS, SELLERS, SEARCH, HELP, CAFE, and SITE MAP. The eBay logo is prominently displayed on the left. Below the logo, the text reads "the leading person-to-person auction community on the web!". To the right of the logo, there are several promotional banners: "List an item for sale" with a small image of a vase, "Chat in our café" with a coffee cup, "Take our cool tutorial" with a clock, and "Register it's free and fun" with a hand cursor. Below these banners is a "featurEd" section listing several items for sale, such as "Safety Can Opener - One Of Its Kind!! at \$7.99 (24 bids)", "New! Nt Technician Cd-Rom at \$15.00 (40 bids)", "Musical Victorian Mantle Clock (PIC) at \$14.99 (21 bids)", "Safety Can Opener - One Of Its Kind!! at \$7.99 (24 bids)", and "New! Nt Technician Cd-Rom at \$15.00 (40 bids)". To the right of the "featurEd" section, there is a "stats" box showing "139,654 items for sale in 371 categories!", "3,623,176 items for sale on eBay since inception!", "14,736,796 bids made since inception!", and "Over 2,400,000 page views per day!". Below the stats box is a "myStery?" section with a "more featurEd..." link. At the bottom of the page, there is a "Last updated: 11/17/97, 11:01:17 PST" and a "Netscape" browser button.

eBay's forerunner, AuctionWeb, was born on Labor Day 1995. The name eBay is taken from Echo Bay, the name Pierre originally wanted for his company. Upon checking with the State of California, he found that the name was taken by another company, so he shortened the name to eBay — and the rest, as they say, is history.

All About Auctions

When it comes to auctions, the value of an item is determined by how much someone is willing to spend to buy it. That's what makes auctions exciting. eBay offers several varieties of auctions, but for the most part, they all work the same way. An *auction* is a unique sales event where the final selling price of the item for sale is not known. As a result, an element of surprise is involved — not only for the bidder (who may end up with a great deal) both from a seller's perspective and a bidder's perspective:

- » **Seller:** A seller may pay a fee, fill out an electronic form, and set 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 financial safety net that protects them from losing money on the deal. I explain how all this works later in this section.
- » **Bidder:** Bidders in auctions duke it out over a period of time (the minimum is one day, but most auctions last five days, 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 — when, often, the most action occurs.

eBay auctions

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

Reserve-price auctions

Unlike 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. You may be surprised to see a brand-new Tesla up for auction on eBay with a minimum bid of only a dollar. It’s a fair bet that the seller has put a (much higher) 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.

eBay charges a fee for sellers to run this type of auction. Nobody knows (except the seller and the eBay servers) what the reserve price is until the reserve is met, but you *can* tell from the auction page whether you’re dealing with a reserve-price auction. Reserve-price auctions are in the listings alongside the other items, so you have to click to find out whether it has a reserve. If bids have been made on an item, a message also appears on the page telling you if the reserve price hasn’t been met. You can find out more about bidding on reserve-price auctions in Chapter 6 and setting up a reserve-price auction in Chapter 9.

Restricted-access adult auctions

If you’re over 18 years of age and interested in bidding on items of an adult nature, eBay has an Adult-Only category, which has restricted access. In an effort to respect site visitors, eBay gates the Adult-Only area so members can make a decision as to whether they want to view these kinds of items. Although you can peruse all 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. Restricted-access adult auctions are run like the typical timed auctions. To visit the adult items category, first you need to agree to the conditions listed on a terms-of-use page after you enter your User ID and password. That page pops up automatically when you attempt to access this category. The Adult Only category also hosts fixed-price sale listings.

CHARITY SALES: ALL FOR A GOOD CAUSE

A *charity sale* is a fund-raising auction promoted by eBay for Charity and PayPal Giving Fund, where the proceeds go to a selected charity. Most people don't wake up in the morning wanting to own the shoes that Ron Howard wore when he put his footprints in cement at Mann's Chinese Theater in Hollywood, but one-of-a-kind items like that often are auctioned off in charity auctions from approved 501 3(c) organizations. (In fact, someone did want those shoes badly enough to buy them for a lot of money on eBay.) Charity auctions became popular after the NBC *Today Show* sold an autographed jacket on eBay for over \$11,000 with the proceeds going to Toys for Tots. Charity auctions are run like most other auctions on eBay, but because they're immensely popular, bidding can be fierce, and the dollar amounts can go sky-high.

Many ultrafamous celebrities use eBay to help out their favorite charities. Billionaire Warren Buffett, for example, has auctioned a private lunch yearly — for the past 16 years — to support one of his favorite charities, the Glide Foundation. In 2015, lunch with the Berkshire Hathaway chairman went for \$2.35 million; the record high winning bid occurred in 2012, for \$3,456,789. I suggest that you visit these auctions and bid whenever you can. Charity auctions are a win-win situation for everyone. (You can read more about celebrity auctions in Chapter 18.)



REMEMBER

If you aren't interested in seeing or bidding on items of an adult nature, or if you're worried that your children may be able to gain access to graphic adult material, eBay has solved that problem by excluding adult-content items from easily accessible areas. Children under the age of 18 aren't allowed to register on eBay anyway and should be under an adult's supervision if they do wander onto any part of the site — especially when they log in under an adult's account.

Private (shhh-it's-a-secret) listings

Some sellers choose to hold *private listings* (whether auctions or fixed-price sales) because they know that some buyers may be embarrassed to be seen bidding on a box of racy neckties in front of the rest of the eBay community. Others may go the private route because they're selling big-ticket items and don't want to disclose their bidders' financial status.

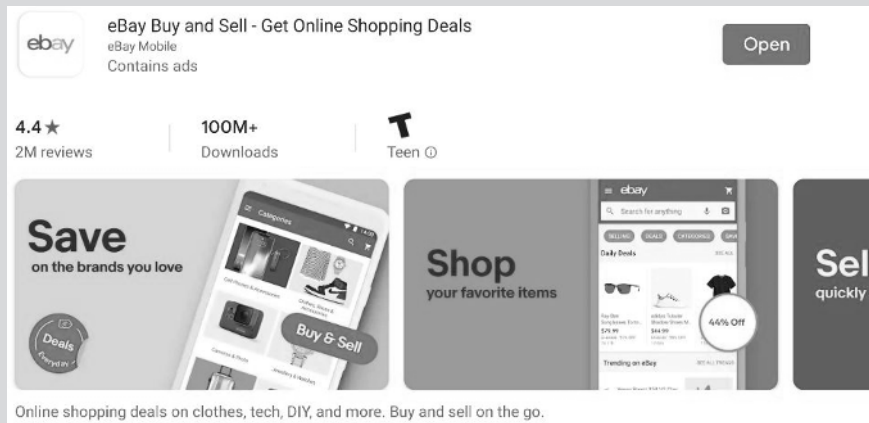
Private auctions are run like typical timed auctions, except during and after the sale, each bidder's identity is kept secret.

“Buy It Now” on eBay

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. If you seek this kind of instant gratification on eBay, click the Buy It Now tab when browsing categories or performing searches.

PREFER TO SHOP ON A MOBILE DEVICE? IT'S YOUR CHOICE

When it comes to buying or selling on eBay, you can choose how you transact your business, whether from your desktop or on the go. If you're addicted to your tablet or smartphone (who, me?), you can easily download the eBay App from the app store for your mobile operating system. Just type **eBay** into the search bar and you should see an icon for the eBay Mobile App in the results.



Know that I recommend that you still use a laptop or desktop computer with some regularity. As you work more with the eBay platform, you'll see that there are some functionalities that work best on a big screen.



You may visit an eBay item only to see an option to Buy It Now. It's not an error! The seller has decided on a price at which to sell the item outright. By clicking Buy It Now, you can do an end run around the auction process and buy the item outright. If you bid on an auction that shows the Buy It Now option, the Buy it Now option will disappear unless the seller has placed a reserve price that hasn't been met.

eBay Stores

Visiting eBay Stores is as easy as clicking the *Visit Store* link on any item page. Thousands of eBay sellers have set up these online stores with merchandise meant for you to Buy It Now — and when you find a seller you like, you can visit the store with a click of your mouse. 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 eBay Money Back Guarantee that covers you in any eBay transaction.

Buy It Now and fixed-price sales

More and more sellers are selling items with a Buy It Now option or at a fixed price. These features enable you to buy an item as soon as you see one at a price that suits you. (For more on how these sales work, check out Chapter 6.)

Want to Make Some Cash?

If you're a seller, creating a listing page on eBay is as simple as filling out an online form. You type the name of your item and a short description, add a crisp picture, set your price, and voilà — it's selling time. (Okay, it's a tad more involved than that, but not much.)

eBay allows any seller without an eBay Store to post 50 free auction or fixed-price listings per calendar month (store owners get 100–100,000 free listings per month). Once you exceed the number of free listings, you are charged a fee of \$0.30 (less when you have a store) for the privilege of listing an item for sale. You don't pay an additional penny unless your item sells. You'll find more details on eBay Stores in Chapter 11.

When you list your item, millions of people (eBay has over 162 million active users) from all over the world can take a gander at it and place bids or buy. With a little luck, a bidding war may break out in your auction and drive the bids up high

enough for you to turn a nice profit. After the auction, the buyer sends you the payment either through a payment service or PayPal. Then you ship the item. Abracadabra! You just turned your item (everyday clutter, no doubt) into cash. You can run as many listings as you want (no duplicates, please), all at the same time. To get info on deciding what to sell and when, leaf through Chapter 9; to find out how to set up an auction, jump to Chapter 10 — and when you're ready to go pro, check out the appendix.

Get a Deal and Get It Fast!

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 sale in eBay's tens of 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 I write or update any of my eBay titles (like this one or *eBay Business All-In-One For Dummies*), I have a great time browsing the different categories and buying a little something here and there — it's amazing just how varied the selection is. I've even bought a refurbished hair dryer from the Dyson store!

Take a look at Chapter 5 for the 411 on searching for items on which to bid. 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. After you win your first auction, look in Chapter 8 for expert advice about completing the transaction.



REMEMBER

You can bid as many times as you want on an item, and you can bid on as many auctions as you want. Just keep in mind that each bid is a binding contract and that *you are required to pay should you win*.

Research for Fun and Profit

eBay's awesome search engine allows you to browse through countless *categories* and items up for sale. As a buyer, you can do lots of comparison shopping to research that special something you just can't live without — or just browse around until something catches your eye. If you're a seller, the search engine allows you to keep your eye on the competition and get an idea of how hot your item is. That way you can set a competitive price. To find out more about using search options and categories, check out Chapters 3 and 5.

The search engine also lets you find out what other people are bidding on. From there, you can read up on a seller's *feedback ratings* (eBay's ingenious reputation system) to get a sense of the seller's reliability — *before* you deal with him or her.

eBay's Role in the Action

Throughout the process, eBay's servers keep tabs on what's going on. When an auction or sale is over, eBay takes a small percentage of the final selling price and instructs the buyer to make payment through email. At this point, eBay's job is pretty much over, and eBay steps aside unless a problem arises.

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 regulates members with a detailed system of checks and balances known as *feedback*, which is described in Chapter 4. The grand plan is that the community polices itself. Don't get me wrong — eBay does jump in when shady activity comes to light. But the people who do the most to keep eBay 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 for the seller is positive; otherwise, the feedback is negative. Either way, your feedback sticks to you like glue.

Building a great reputation with positive feedback ensures a long and profitable eBay career. Negative feedback has an effect like multiple convictions for grand theft auto — it's a real turnoff for most folks and can make it hard to do future business on eBay.



WARNING

If your feedback rating becomes a -4 (negative 4), eBay may suspend your buying and selling privileges. You can find out more about how eBay protects you as a buyer or a seller in Chapter 16.



TIP

Buyers can leave positive or negative feedback for a seller, but sellers can only click “positive.” Sellers still do have the option to leave a descriptive comment, however, so problematic buyers don't get off scot-free.

Features and Fun Stuff

So eBay is all about making money, right? Not exactly. The folks at eBay aren't kidding when they call it a community — a place where people with similar interests can compare notes, argue, buy, sell, and meet each other. Yes, people have married after meeting on eBay. (Take a guess how their friends bought the wedding gifts!)

The Security Center is the catchall resource for information and services about making deals on eBay safer — and for information on what to do if something goes sour. I don't like to think about it, but sometimes — despite your best efforts to be a good eBay member — buyers or sellers don't keep their word. In a very small percentage of cases, unscrupulous louts try to pull scams. You may buy an item that isn't as it was described, or the winner of your auction may not send payment. Sometimes even honest members get into disputes. The Security Center is a good resource when you need questions answered or you need a professional to come in and handle an out-of-hand situation. Chapter 16 tells you all about the Security Center.

Extra Apps You're Gonna Want

At some point in your eBay career, you'll find you've become comfortable with all the computer-related hoops you have to jump through to make the eBay magic happen. At that time, you may be ready to invest in a few extra apps or devices that can make your eBay experience even better. Digital cameras and online free apps can help make your time on eBay a more lucrative and fun adventure. You find out how to use all that lovely tech for your sales in Chapter 18.

