

eBay Secrets Mini-Course

How eBay Professionals Consistently Make Money on eBay

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Introduction

This is not a basic “How-to-sell-on-eBay” course. This book is aimed at folks who already know how to navigate eBay and understand the basics of selling, but now need some help growing their business.

Making money on eBay comes down to two things every seller must do if they want to be consistently profitable:

1. Achieve a high conversion rate
2. Achieve a gross margin on each successful listing to cover cost, fees and profit.

If you can't achieve these two goals, it doesn't matter what else you do right; you will ultimately fail because your money will run out. This book will attempt to meet those two goals with 5 important lessons that every eBay seller must know and learn to be successful. Let's look at each of these two goals in depth before we get started.

Conversion Rate

It is critical that you understand why the first goal –achieving a high conversion rate, is so important:

The conversion rate, or what some call the sell-through-rate, is the percentage of your listings that close successfully. Because eBay charges a listing fee on each auction, every time an auction fails to close with a sale, you lose that listing fee. And these fees can add up.

If you were to spend \$200 per-month in listing fees and you only close 30% of your listings successfully, then you have to add the 70% of \$200 (\$140) to the cost of your other listings that did close successfully. Here is an actual example:

The Listing fee for a \$25 item is \$1.00. If you listed this item ten times per month, you would pay \$10 in listing fees. But if only three of the ten items listed sold, then you would have to add the \$7.00 in listing fees to the three items you sold to get your real fee cost. $(\$7 \div 3) = \2.33 . Now add that \$2.33 to your original \$1.00 listing cost and you see that your total listing fee is \$3.33. That is 13.3% of your listing price. Not many sellers can last long if their listing fees average 13% of their selling price. And remember, this is only your listing fee. You still have final value fees and PayPal fees of approximately 10%. This means your total fee to sell an item is close to 23%.

Gross Margin

The price you achieve on an item over and above the item cost is called your gross margin. Here is an example:

Selling Price (final value)	\$21.00
Item cost (including inbound shipping)	11.00
Gross margin before fees	\$10.00

Now let's look at your fees. We will assume that your shipping cost to the customer was covered 100% by your shipping & handling charge.

Basic listing fee	\$0.55
Final value fee	1.83
PayPal fee (2.9% + .30)= 0.91	
<hr/>	
Total fees:	\$3.29

So if you sold an item for \$21, less total fees of \$3.29 and your cost of \$11.00, you are left with \$6.71. This is called your net margin. So your gross margin is \$10 and your net margin after fees is \$6.71

Now remember, we only listed the basic listing fee. We did not include listing fees for other items that did not sell and we did not include any special fees such as Bold (\$1.00), extra photo fees (\$0.15 each) and a scheduling fee (\$0.10). So in most cases your net margin will be less than this.

If you sold an item at this price, and you have at least a 50% to 60% conversion rate, you would still be making money. But what if your item only achieved a final value of \$19.00? Or, what if your conversion rate was only 30%? Do the math and you will see that you barely break even at best --and begin losing money pretty quickly at worst. If you are selling higher-priced products, the numbers start running against you at an even faster rate.

Can I Still Make a Living on eBay Doing This?

The answer is yes --if you learn the most important secrets of consistently making money on eBay. The focus of this mini-course is to teach you the tips, techniques and secrets of achieving those two goals: How to increase your conversion rate and profit margins. If you can't do that, the only one who makes money from this game is eBay.

You can learn more –much more about the tips and techniques we discuss in this mini-course with our flagship product, [The Complete eBay Marketing System, 2009 Edition](#).

Lesson One: Specialize for Success

When you first start selling on eBay it is ok to sell just about anything. I often recommend new sellers start by selling stuff from their attics and garages. The point is to learn how to list auctions, learn how the eBay platform works, build up your feedback and get a head start on your Detailed Seller Ratings (DSRs).

But once you master the basics of creating a listing, taking and uploading photos, getting paid, shipping and communicating with customers, then it is time to figure out what business you will be in.

One of the most common emails I get from readers asks: What is the hottest selling product on eBay and where can I buy it wholesale? If you have been wondering that, I don't want to insult you, but that is a really stupid question and it has nothing to do with making money on eBay.

Think about it. One week the hottest product could be the latest video game player, or the newest iPod. The week Michael Jackson died it was tickets to his funeral. Around Halloween the hot sellers include masks and costumes.

The latest hottest product changes every week and the hot categories change with holidays and the seasons. You just can't be in all of those businesses.

Besides, products like consumer electronics, famous name designer fashions and the latest DVD are mass market consumer products that are dominated by mega-sellers with deep pockets. I can tell you the name of the only authorized wholesale distributor of iPods ([Ingram Micro](#)), but what good does that do you when the mega sellers are buying the new iPods in quantities of 1,000 at a time and you can only afford to buy 10 at a time. Who do you think is going to get the best price?

The other factor inherent in any mass market product is intense price discounting by competitors who rely on high volumes and low margins. There is no way to play that game without the ability to purchase your inventory in huge quantities to get the lowest price.

The key to making more money on eBay is to specialize. There are two major benefits when you specialize:

1. People prefer to purchase from someone who specializes
2. Buyers will pay more to buy from a specialist than from general sources

Another name for selling specialty products is niche marketing. Let the bargain hunters go somewhere else. The key to making money is to avoid commodity consumer

products and find a niche (specialty) where there are fewer competitors and a trusted place for serious shoppers to buy.

If you don't believe me, why do you think that Amazon.com is all about low prices? If you were to search for a popular small kitchen appliance on Amazon, it will always be priced less than if you went to a website such as [Sur la Table](#) or [Williams-Sonoma](#).

Sure, lots of people shop on Amazon because they are looking for low prices and lots of people spend hours surfing eBay and bidding on auctions to get the lowest price –but, lots of other people buy from Williams-Sonoma or Sur la Table and pay top dollar. The same thing happens on eBay.

Here are screenshots of the same All Clad Deluxe Slow Cooker on Williams-Sonoma and Amazon:



Slow Cooker
Exclusive

Suggested Price: \$400.00
Our Price: \$299.95

Qty

1.



All-Clad 99009 Stainless-Steel 6-1/2-Quart

Buy new: ~~\$195.00~~ **\$179.95** 13 Used & new from

Get it by **Tuesday, Aug 11** if you order in the next 2h


★★★★☆ (46) Prime

Home & Garden: [See all items](#)

Look at the difference in price.

Amazon probably sells more of these than Williams-Sonoma. They can afford to do that because they operate in such huge volumes that their costs are unbelievably low. Williams-Sonoma may sell far fewer All Clad Slow Cookers, but look at the difference in margin when they do. Plenty of people prefer to shop on Williams-Sonoma's website because they know they specialize in cookware. Williams-Sonoma's annual sales are in excess of \$1 Billion –nowhere near Amazon's –but still very successful.

But what about on eBay? I looked at completed auctions and saw only 1 sale for this item.



ALL-CLAD 99009 Stainless-Steel 6-1/2 Qt Slow Cooker NEW

[View similar active items](#) | [Sell one like this](#)

19 Bids **\$132.50**

Sold

WOW! This seller sold it for only \$132.00. That was probably near his cost with no margin for fees or profit.

I looked at the seller's listings and discovered several mistakes that we will cover in this mini-course. But one big thing stuck out: Although this seller actually seemed to specialize in kitchen-related goods he (or she) never explained that. His auctions contained nothing about the seller that made him unique, or convinced me why I should buy from him. So here is a seller that was sort-of specializing but didn't bother to tell me that he was.

Although this seller had a good feedback and DSR score, his (or her) listing also had lots of other problems including an incomplete description, only one stock photograph (a real no-no), no personality and he didn't talk about customer service or ask for the sale (We will address all of these in this course).





So one big lesson you want to learn is: Selling one category of product does not make you a specialist. It is not enough to just specialize in one type of product; you have to **sell the fact that you are a specialist**. There is no benefit to niche marketing if no one knows you are specializing in that niche.

We sell in several different niches. One of the product lines I specialize in on eBay is a line of outdoor patio firepit grills. Our firepits are top quality and I don't discount them. We also sell them on Amazon and from a small website.

I have lots of sellers undercutting me with the same product and others who are selling cheap copies –but we still sell a ton of our firepits at top prices. And when I sell them I actually make a profit, which is something I doubt my competition is doing if they are selling at those prices.







Here is a screenshot of the top 4 completed auctions for the search term *outdoor firepit grills*:

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	OLD WEST GRIZZLY BEAR OUTDOOR FIRE PIT, FIREPIT GRILL Free Cover, Poker and Grill with Buy-it-now View similar active items Sell one like this Enlarge	2 Bids Sold	\$229.00
	OUTDOOR FIREPIT FIRE PIT ROUND 360 DEGREE HEATER GRILL 531 sq. in Cooking Space GREAT for camping! FREE SHIP View similar active items Sell one like this Enlarge	Sold Buy It Now	\$169.99 Free shipping
	WESTERN COWBOY OUTDOOR FIREPIT GRILL BARBECUE FIRE PIT FREE Poker, grill & Screen + FREE Cover with Buy-It-Now View similar active items Sell one like this Enlarge	7 Bids Sold	\$229.00
	OLD WEST GRIZZLY BEAR OUTDOOR FIRE PIT, FIREPIT GRILL Free Cover, Poker and Grill with Buy-it-now View similar active items Sell one like this Enlarge	16 Bids Sold	\$217.50

The top listing and the bottom two are mine. As you can see, my prices averaged between \$217.50 and \$229 (plus \$35 shipping). I won't tell you my cost but trust me -- my margins are more than adequate to make a profit.

Now let's look at my competitors: They also sell a lot of firepits --actually they sell many more than I do. This is what you see when you scroll down the page for the same time period :

	Heavy Duty Steel Stars and Moon Outdoor Firepit/Grill View similar active items Sell one like this	5 Bids Sold	\$63.00
	Heavy Duty Steel Celtic Cross Outdoor Firepit/Grill View similar active items Sell one like this	5 Bids Sold	\$86.00
	Heavy Duty Steel Stars and Moon Outdoor Firepit/Grill View similar active items Sell one like this	5 Bids Sold	\$80.00
	Heavy Duty Steel Stars N' Stripes Outdoor Firepit/Grill View similar active items Sell one like this	2 Bids Sold	\$56.00
	Outdoor Grill or Fire Pit Grill Surface Grate View similar active items Sell one like this	Sold Buy It Now	\$9.95
	Heavy Duty Steel Stars and Moon Outdoor Firepit/Grill View similar active items Sell one like this	8 Bids Sold	\$73.00

As you can see their prices range between \$56.00 and \$73.00 (plus \$30 shipping) for essentially the same product.

So why do I average over \$200 and they get less than \$75? Once again, this seller seems to specialize. Although he does sell other items, the firepits make up most of his product line. But, I did not get that from his listings --and most importantly there was no information about product quality or customer service (not to mention the crummy photographs).

Lesson One Summary and Action Steps

Summary

1. Commodity products are sold on price. Niche products are sold on uniqueness, trust, quality and customer service.
2. It pays to specialize. You can command higher prices and develop a loyal following who will buy from you over and over.
3. It is not enough to specialize; You must build a persona around your specialty and communicate that to your customers
4. Don't be afraid to charge a higher price than your competitors. Yes, you will lose a few sales, but that is OK. I don't want to make a sale where I lose money unless I am just trying to dump inventory.

Action steps

1. Do the math to determine the profit margin of everything you sell.
2. If you are still selling a wide variety of products, take a look at your sales and find the products with the higher profit margin.
3. These products can form the basis of your niche or specialty.
4. Once you develop a specialty, try and create a 'persona' around that specialty. First of all be sure and tell people you specialize. Try for a look and feel in your listings that conveys trust and reliability. If you sell a top quality product then tell people that you do.
5. Don't be afraid to take a position and warn people about cheap copies or inferior products that your competitors sell (just don't mention your competitors by name).

Lesson Two: Become a Trusted Seller

I have been selling on eBay and the internet for just over ten years and in that time I have seen many changes. But the biggest change of all is that buyer expectations have increased to the point that buyers expect even the smallest eBay seller to be as trustworthy as buying from Amazon, Pottery Barn or Williams-Sonoma.

So how do you do that?

Fortunately for the small eBay seller, eBay has created standards of seller performance that help you do this. These standards fall into four main parts:

1. Feedback Score
2. PowerSeller Status
3. Detailed Seller Ratings
4. Top-Rated Seller Badge

The first three are available now and the 4th service is being tested and will roll out in October 2008. If you are reading this after that date then it is now available to you.

I know these policies are somewhat controversial with certain eBay sellers, but they are the policies you have to follow. The key is getting them to work for you and not against you.

Let's look at each one individually and examine how you can use these to improve your trust quotient.

Feedback Score

If you have been buying or selling on eBay for any time at all then you know what feedback is. Your eBay feedback rating is probably the single most important thing you want to focus on as a new or small seller. When you are starting out and you get a couple of negative feedback ratings, it can really set you back.

The secret to earning a good feedback rating is to work hard at pleasing your buyer. This starts with an accurate and honest item description so your buyer knows exactly what he or she will receive. This includes revealing anything negative or any shortcomings your item has.

Next is your photograph. Again it should be an accurate representation of what the seller will receive. If you are selling any type of used, collectible or vintage product then you want to serve up several photos that show the item from all sides and include a close up of any flaws. A tiny scratch may mean nothing to you, but it could really make

a difference to a finicky collector. I always use actual photos. The stock photos supplied by manufacturers are rarely good enough and buyers think that you may not have the actual product.


Packaging and shipping are critical. **Shipping issues are the number one source of buyer complaints on eBay.** Pack your item safely in a sturdy box with clean shipping materials. Charge for postage and a reasonable handling fee to cover the cost of your shipping and packing materials and insurance (if you insure the item). Then ship quickly and tell the buyer when you shipped and when they can expect the item.



Lastly is your communications. It is better to over-communicate than under-communicate. First of all thank the buyer and if it is an auction, congratulate them for winning. Remember part of the appeal of eBay is the fun factor, so don't write cold impersonal emails. Be personal. If you know the buyer's name use it. Be sure and sign your name and invite them to email you if they have any questions, problems or concerns.

About ½ of the products we sell on eBay are dropshipped directly by the manufacturer. So one of the things we do is stay on top of the manufacturer to make sure they ship on time and we get a tracking number and send it to the buyer. When we do ship an item ourselves, my wife Karen (known to our customers as the shipping goddess) even puts a short hand-written thank-you note in the box.

So how does all this work affect our feedback? Take a look:



mcgrrrrr (8298 ★)   
Positive Feedback (last 12 months): 100%
Member since: Jun-17-99 in United States

	1 month	6 months	12 months
 Positive	39	261	599
 Neutral	0	0	0
 Negative	0	0	0

PowerSeller Status

The eBay PowerSeller program is over ten years old. Simply put, once you sell at least \$1000 per month average for three months, or maintain a \$12,000 per year average and keep your feedback score above 98% positive, eBay will place a PowerSeller symbol next to your username in your listings.

PowerSellers also qualify for fee discounts based on their Detailed Seller Ratings. So one of the first things you should strive for after keeping your feedback score at 100% is to achieve PowerSeller Status.

A PowerSeller rating doesn't mean much to an eBay newbie. When people shop on eBay for the first couple of times they don't really get it. But experience eBay buyers (about 2/3rd of all sales) do look for it as it tells people you are a serious seller as opposed to someone who just dabbles on eBay.

The other factor is the fee discount that is tied to your Detailed Seller Ratings (DSRs). This will be changing in the future, but for the time being PowerSellers can qualify for final value fee discounts if your DSR scores are between 4.6 and 5.0.

Starting in April 2010, eBay will be lowering the requirements to become a PowerSeller.

- Starting in April 2010, quality requirements for all PowerSellers will be based on low DSRs, and benefits will be extended to lower-volume sellers who meet those requirements:
 - To ensure PowerSeller status rewards consistently good service, a minimum of 100 transactions in the last 12 months will be required for all PowerSellers.
 - To allow more sellers providing great service into the program, the sales dollar volume requirement will be lowered to \$3,000 per year.
 - Also starting in April, PowerSellers can have 1s or 2s for item as described on no more than 1.00% of transactions with U.S. buyers and on no more than 2.00% for communication, shipping time, and shipping and handling charges.

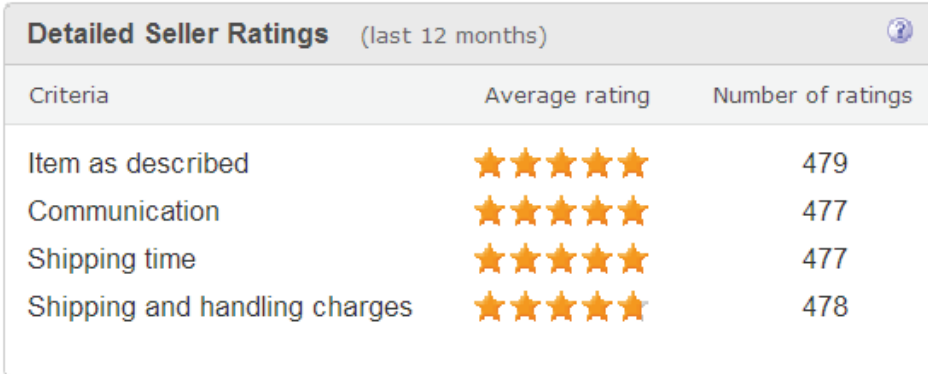
Over time, eBay will be phasing out the PowerSeller program in favor of the Top-Rated Seller program –but this will probably take a couple of years. So for the time being you want to try and qualify for PowerSeller status.


Detailed Seller Ratings

The Detailed Seller Rating program was introduced by eBay in 2007 and was essentially a competitive response to Amazon's Star rating system. The ratings are a series of stars on a scale of 1 to 5 stars where buyers rate sellers on four criteria:

1. Item as described – did you describe the item accurately and completely and did the seller receive what was described?
2. Communication – did you provide timely and complete communications and answer questions completely?
3. Shipping time – did you ship quickly after you were paid?
4. Shipping & Handling charges – did you charge a fair price for S&H?

Here is what my DSR looks like to a buyer:



Detailed Seller Ratings (last 12 months) 		
Criteria	Average rating	Number of ratings
Item as described	★★★★★	479
Communication	★★★★★	477
Shipping time	★★★★★	477
Shipping and handling charges	★★★★★	478

I can't show it in the screenshot, but when you hover your mouse over the stars, there is a small pop-up window that gives the actual star rating.

eBay has used the star ratings to accomplish three things.

1. If you fall below 4.3 eBay can suspend your ability to list new items. This may sound pretty harsh, but it only affects about 4% of all sellers.
2. Based on your scores from 4.6 to 5.0 for the prior 30 days, if you are also a PowerSeller, eBay will award you a discount on final value fees.
3. When sellers have high scores, eBay favors them in the search engine results.

So as you can see, keeping your scores high has several benefits. When the system was published there was a lot of angst from sellers who worried they would have a hard time achieving the standard –but it turned out not to be the case. Over 80% of

PowerSellers do well enough to get the fee discounts. In our case, we have never been below 4.6 since the program started and we are currently 5.0, 5.0, 5.0 and 4.9 on the last one, shipping cost. So we receive the full 20% final value fee discount at the end of each month. Because our fees average around \$3000, that is a \$600 per month savings.

But there are still some problems with the DSRs. Mostly they favored larger sellers – those with more transactions. Since DSRs are an average of ratings, if you are a low volume seller and someone leaves you 4 stars –which a lot of people think is still really good –that affects your average more than that of a high volume seller.

The other problem is international sales but eBay is fixing that. Because shipping rates are so high internationally and items can be delayed in customs, many overseas buyers would leave sellers 1 or 2 stars because they were unhappy even though it was beyond the seller's control.

When the DSR system first started we were still selling internationally, but I had to stop because my scores were falling and I was in danger of having my auctions suspended. As soon as I stopped selling overseas, my DSRs started averaging 4.8 and over time we were able to keep them above 4.9 consistently.

Next we are going to cover the new Top-Rated Seller Program which fixes most of the problems inherent with the DSR system.

Top-Rated Seller Program

The Top-Rated Seller (TRS) program was announced by eBay in August 2009 and takes effect in October. Under this program, eBay will award Top-Rated Seller status to sellers who meet minimum standards for not having low (1-star and 2-star) ratings instead of concentrating on your high average.

The requirements for the TRS program are as follows:

To qualify as an eBay Top-rated seller, you need to:

- Meet all the quality requirements for and accept the invitation to the PowerSeller program
- Meet the sales volume requirements for Top-rated seller status: 100 transactions and \$3,000 in total sales over the past 12 months
- Have no more than the maximum allowed instances of 1s or 2s on all DSRs from U.S. buyers: (Read the next sub-bullets very carefully. The language is somewhat confusing, but there are important differences based on the number of annual transactions.

- **Sellers with 400 or more transactions over the previous 3 calendar months:** No more than 0.50% of transactions with 1s or 2s on each one of the four DSRs over the past 3 months.
- **Sellers with 400 or more annual transactions, but less than 400 over the most recent 3 completed calendar months:** No more than 0.50% of transactions with 1s or 2s on each one of the four DSRs over the past 12 months.
- **Sellers with less than 400 annual transactions:** No more than two instances of 1s or 2s on each one of the four DSRs over the past 12 most recent completed calendar months. This will ensure that lower volume sellers are not disqualified based on a single transaction.

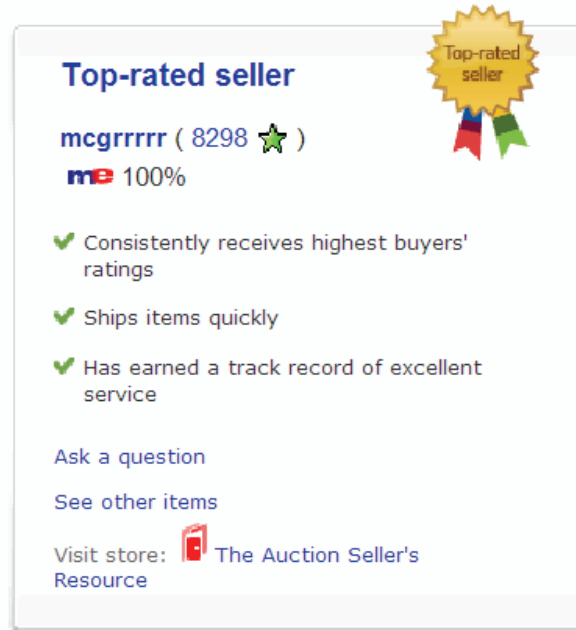
This last two are very important for smaller and newer sellers. What it doesn't say here is that eBay will also ignore the first couple bad DSRs a newer seller gets, to make sure they have time to get started. And notice that they no longer count DSRs from international buyers. From now on eBay will only look at your DSRs on US sales to US buyers.

There will also be a minimum average required across all four DSRs (based on PowerSeller requirement): The current rate is 4.5 on global transactions. Starting April 2010 it will be 4.60 on transactions with U.S. buyers only. Overseas transactions will be ignored.

The Top Rated Seller Program is going to come with several benefits:

- All eBay Top-rated sellers will receive the maximum 20% discount on Final Value Fees. Note that for other PowerSellers, the current discount schedule will remain in effect until April 2010.
- Top-rated sellers will get increased search exposure on their Fixed Price listings in [Best Match search results](#).
- Only eBay Top-rated sellers will be able to purchase Featured First to promote their listings to appear on top of the search results.
- The new eBay Top-rated seller badge will be displayed on sellers' item pages and other member profile pages. eBay is also testing the badge in search results pages. The current PowerSeller icon will no longer be displayed on buyer-facing pages like the item page and other member profile pages. The icon will still be displayed in My eBay, Selling Manager and Selling Manager Pro. In other words, the public will not be able to see your PowerSeller Badge –only you can see it. Even though this sounds strange, (and it completely baffles me) it is still important to qualify for the PowerSeller program until it is eliminated.

Although eBay will not roll the program out until October 2009, a few qualified sellers were randomly selected by eBay to participate in a test of the program. I was lucky enough to be one of them. A few days after the original announcement, I was looking at one of my listings and I saw the Top Rated Seller Badge. Here is what it looks like:



eBay also plans to experiment with putting the badge right in the search results so buyers can see the badge right next to the item photo and title, but this has not started yet.

My one slightly negative comment on the program is the name. I am not sure buyers who are new to eBay will identify with the name. I would have selected something like "Trusted Seller" rather than Top Rated Seller.

Lesson Two: Summary and Action Steps

Summary

The game has changed and buyers on eBay and all other shopping sites now expect a much higher level of customer service and a feeling of trust and safety before they part with their money.

If you really want to make money consistently and build a long term business then you have to think about this as a business and run it like a business. My personal standard for running my eBay business has always been: "what do I expect as a buyer?" I try to apply that same standard to my sales. I like to think I am a very picky buyer and really

appreciate excellent customer service. So it makes sense to give that same level of service to my buyers as I would expect for myself.

Action Steps

1. Review you item descriptions to make sure they are accurate and complete.
Don't forget to run spell check
2. Make sure your photographs show an accurate representation of what you are selling? If you use stock photos make sure to also include an actual photo.
3. Make sure you are using good-quality boxes and packing material and pack items carefully
4. Ship the same business day you get payment
5. Send every customer an email telling them when you shipped the item and give them a tracking number if appropriate.
6. Check UPS and USPS for the best shipping rates
7. Don't try and make money from shipping
8. Be friendly and personal in all your communications.

Lesson Three: Develop and Online Personality

This is one of the most overlooked strategies by newer and smaller eBay sellers. An online personality is nothing more than telling people about yourself. If you are going to become a profitable seller, then yes you need to brand your image and company name, but don't brand yourself to the point where buyers see only a company and not the people behind the product.

Once again, it is true that people love to buy from large companies such as Best Buy, Amazon, Lands End and others –and they always will. But there are still hundreds of thousands of small businesses in America (and around the world) who do a lot of business besides the giant sellers. This is especially true on eBay where small sellers outnumber large ones by a factor of 10 to 1.

There may be one out of ten thousand of you reading this who have the capital, time and talent to grow a business and become one of those large companies –but there are thousands of you who can build a nice sustainable business that earns you a good income. And this is still very doable on eBay.

Know your buyers

There are three kinds of buyers on eBay:

1. Newbies and very occasional buyers –these are buyers who have just come to eBay or have bought on eBay before and only buy once or twice a year.
2. eBay Loyalists –these are the core eBay users and they number over 25 million out of the registered 47 million US users and over 85 million worldwide users.
3. Experienced comparison shoppers –These folks are well versed in how eBay works and often check eBay for bargains, but they are usually checking Amazon and other online shopping sites as well.

As a newer or smaller seller, your market is number 1 and number 2. You may get the occasional sale from number 3 – the comparison shopper, but these people are essentially bargain hunters and unless you have the lowest price, you will not usually be on their radar. Unless I am dumping inventory, I don't really aim at these buyers. I make my money from number 1 and number 2.

Both eBay newbies and eBay loyalists respond well to sellers who stress their personality. What does this mean?

Let me use a totally made-up example (because I don't want to upset someone who I think is a bad example) but believe me you can see examples like this on eBay every day.

If you were a quilter, would you rather shop from Westside Quilt Supplies, or Becky's Quilt World? Both of them are company names, and can be branded, but if you are into quilting, "Becky's" name sounds more like a fellow quilter.

Typically if you went to a listing from Westside Quilt Supply you would probably see a listing that was cold and impersonal. Whereas, if you go to Becky's you would see a seller who is a real person. She would be a fellow quilter and you would get the image that there is someone there to talk to. If Becky is creating an online persona you would feel like you are buying from a person –not a company.

One of the secrets to becoming successful as a small niche seller is not only to brand yourself, but **connect your brand to your niche and connect yourself to your brand**. I put that in bold because it's so important. Let's look at how we do that.

Brand Your Niche

If you are going to sell in a niche then you want to tell people that you do. Remember the example of the seller who sold the All Clad slow cooker? The seller's listing and eBay store had no look and feel that told me he was a specialist in kitchen cookware and there was no information about him as an eBay seller. The listing was no more than a product description and was written in the third person. That is not how you brand a niche.

There are several ways to brand your niche.

Use a template

If you use an auction management service such as [Vendio](#) or [Auctiva](#), or even if you use eBay's sell your item form, they offer several pre-designed templates that give your listings a similar look and feel. You can select templates that work with your products, or you can have a designer create a template for you. The idea is to give all of your auctions a similar look and feel.

A good template should reflect the look and feel of your niche and be adaptable to a wide range of products. Some sellers (like myself) sell in several different niches. If you do this you can select different templates that reflect each niche.

Here is a screenshot of a template that I use for my firepit listings:

~ WESTERN COWBOY OUTDOOR PATIO FIREPIT BARBECUE GRILL ~



THIS IS THE WORLD'S BEST, SOLID-STEEL HAND-FORGED FIRE PIT.

THIS FIRE PIT RETAILS IN UPSCALE MAIL ORDER CATALOGS FOR \$399.

I am including a free \$29 value cover when you buy this firepit from my eBay Store.

Perfect for barbeques, back-yard gatherings, camping or a quiet romantic evening at home. Our fire pits are handcrafted from durable cold-rolled steel and include a **BBQ grill**, a **poker for stirring coals** and a **spark-arresting screen** to let the fire die down safely.

Unique flame cut-out western broncos provide ventilation and add to its unique charm. Creating the perfect compliment for your backyard couldn't be easier. Natural rust patina finish, no assembly required. This is not a mass produced product. These are made entirely by hand in a small forge by master craftsmen.

These firepits are normally only sold in high-end mail order catalogs like Smith & Hawken and Orvis for \$399.

We do NOT mark up shipping and handling. We charge our actual shipping cost.

The firepit is 31" x 31" x 17" and Weights 41 lbs. so it's not going to tip over. Just think how good steaks would taste cooked on this grill over some real mesquite wood. (Total Shipping weight with poker, grill and cover is 50 lbs)

It is not just a firepit, it also has a removable grill top so you can cook steaks, burgers, hotdogs and more on it. Just think how good steaks would taste cooked on this grill over some real mesquite wood.

THIS IS THE BEST FIRE PIT I HAVE EVER OWNED.



Click to View Image Album



Click to View Image Album

Firepit listing on eBay. [Click here to see the actual listing.](#)

As you can see it has a western look and feel that relates to the product –in this case an outdoor firepit grill. Now I understand that not everyone is from the west –but it still works. I get plenty of orders from people from New York to Florida in fact all over the country.











Create an eBay Store Design

If you have an eBay Store, you can find a designer on eBay or off that will design a store for you. Probably the most well-known and experienced eBay store designer is [Frooition](#). They charge about \$1000 to design a store template for you. That sounds like a lot of money, but remember you only pay once and you can use it for years.

There are also plenty of designers who work out of their homes and sell their design services right on eBay. Just search the term *eBay Store Design* in the eBay search engine.

Here is what the results look like (see below). The first one is offering an eBay store design, an auction template and an About Me design for only \$150. That sounds pretty low, so you would want to get either references or have the designer point to some designs they have done. In addition, you want to look at their own store design before making a decision. A good mid-point price is about \$500 or \$600 for a truly custom design. One eBay member that I like is [Milo Web and Graphics Design](#), eBay username

[going1ncellc](#). I haven't used her services but I have seen her designs and they look really professional –and she has a great reputation in the community.

	Custom Ebay Store Front Design, Auction temp, About me.	 Buy It Now	\$150.00 Free shipping
	Women Fashion eBay Store Design Package eBay Store Design Package +Auction+Store front	 Buy It Now or Best Offer	\$129.00 Free shipping
	Custom Page of eBay Store Design Custom Page(Header+Left+Storefront)	 Buy It Now or Best Offer	\$129.00 Free shipping
	Luxury Jewelry eBay Store Design AUCTION TEMPLATE ebay listing template, ebay store design, ebay tools	 Buy It Now	\$108.00 Free shipping
	Complete Custom Ebay Store Front Design Original Design	 Buy It Now	\$105.00 Free shipping

Below is a screenshot of what a professionally-designed eBay store looks like:

Home > eBay Stores > FOR MY CASTLE > All Categories



View: All Items | Auction only | Buy It Now only | On Sale Now



This is the store by eBay seller [formycastle913](#). They are eBay PowerSellers with 100% feedback and have been included in the Top Rated Seller Test program.

This is a great example of an eBay seller who started small and has built a very nice profitable business. They achieved their success by selling in a niche, branding their business to their niche, personalizing their offering and delivering great customer service.

Personalize Your Business

Once you get control of your look and feel and brand your business to your niche, you want to personalize your business. Remember, we aren't after the bargain hunters. We can leave them to the mega-sellers. If you are successful and grow your business to the mega-seller status then you will have plenty of room to redesign your business model, but for now you want to concentrate on building your business to a sustainable level such as achieving Gold PowerSeller (\$10,000 to \$25,000) per month.


The best place to start is with your About Me Page.



This is a page you can create that tells buyers about you. Just click on any auction that has an about me page. When you get to the member's About Me page, scroll to the

bottom and you will see a link that says *Create an About Me Page*. Just click on the link and you will be taken to a widget that helps you create your own page.

Here is an example of an About Me page for a seller who sells fly fishing equipment

[Home](#) > [eBay Stores](#) > [Fishwest Online Fly Shop](#) > **About the Seller**



Fishwest Online Fly Shop
Maintained by: [fishwest](#) (12724) ★  
The Fishwest Online Fly Shop is pleased to offer you the finest fly fishing products. Airflo, Cortland, C&F Design, Fishpond, Hardy, William Joseph, Echo, Waterworks.

[← Back to previous page](#)

About The Fishwest Online Fly Shop

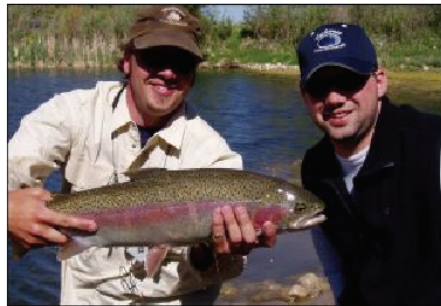
Thank you for taking the time to check us out! Fishwest was started as a "labor of love" and continues to be run in the same manner. Everyone involved with the operations lives, eats and breathes fly fishing. We understand what quality equipment is and how to appreciate it. If you have a technical question about a product or need a gift idea, please contact us (contact information is below). Warning: We may want to talk your ear off about fishing.

About Fishwest Outfitters & Guide Service

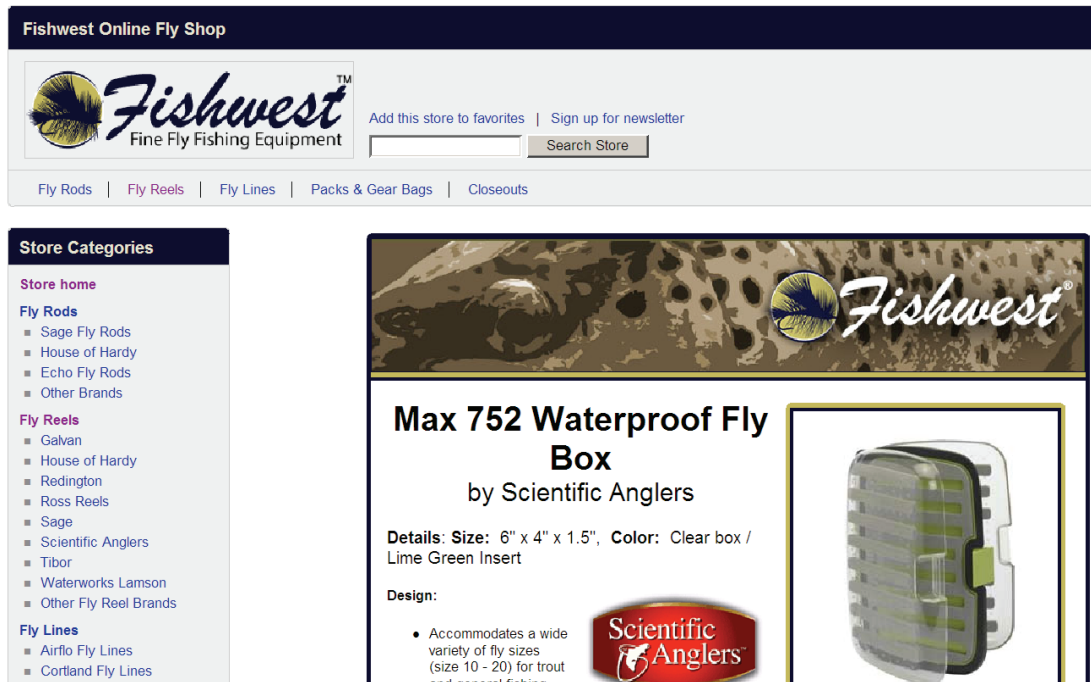
Fishwest Outfitters and Guide Service is located at the crossroads of fly fishing in the American West in Salt Lake City, Utah. The Blue Ribbon [Provo River](#) and the under-estimated [Weber River](#) are all within striking distance, and the famed [Green River](#) and spectacular stillwater fishing of the [L.C. Ranch](#) are all within a short drive.

All of our guided fishing trips include casting and fishing instruction as well as all of the necessary equipment. If you don't own a rod and reel or don't want to drag your boots and waders along on your trip, we are happy to provide quality equipment for you to use, at no extra charge.

The guide staff at Fishwest is devoted to fly fishing and have long since paid their dues on all of the waters we guide on. Our knowledge of the Rocky Mountain fly fishing scene and our enthusiasm to share that knowledge are unmatched. We are professional, courteous,



This is an excellent example of an About Me Page. It brands the business and tells you something about the owners. Now look at one of their auction listings and you can see that they carry the brand and the personality over to their listings.



This is a good example of both personalization and branding your niche.

Talk to Your Buyers

The other thing you want to do in your listings is speak to your buyer in the first person – from me to you. Here is some text from one of my firepit listings that shows an example of what I mean:

THIS IS THE BEST FIRE PIT I HAVE EVER OWNED. This is the original high-quality Patina fire pit --not one of the cheap knockoffs now selling on eBay.

I have owned several firepits of different designs and have always been disappointed. When I found this firepit, I bought one for myself. The very first evening we had friends over; I sold three on them on the spot.

This is absolutely the best firepit on the market --bar none. The spark arrestor is a very fine mesh so large sparks don't fly out. THE CUTOUTS IN THE SIDE PROVIDE PERFECT UPWARD VENTILATION. The smoke really goes UP. It doesn't blow around sideways so you can sit close to it and get all the warmth.

Notice two things about the text:

1. I am speaking directly to the reader
2. I don't hesitate to sell the product.

I am warning my customer there are other cheap knockoffs on eBay. I tell the buyer that I use this product. I tell the buyer that other people (my neighbors) like the product. I explain some of the benefits (well made and how it ventilates).

Don't be afraid to write in the first or second person. You can mix first and second person writing in the same listing, but don't do it in the same paragraph. If you want to learn more about writing in the first person, here is a link to a page about getting the person right when writing. <http://www.themfactor.com.au/Articles/Writing-Style-First-Second-Third-Person.htm> It is very short and to the point.

Lesson Three Summary and Action Steps

Summary

Once you select a niche to work in, you need to think about how you will communicate three things:

1. What niche you are selling in
2. Your brand
3. Your personality

What it boils down to is letting buyers know that you specialize, who you are and that you are a real person who will stand behind your products.

Action Steps

1. The first thing I like to do when I am selecting a niche is to research my competition. This will often give me ideas about how to brand and communicate my business
2. Once you do this you want to select a template to brand your listings
3. Next, design and upload your About Me page to communicate who you are.
4. Review your auction text to make sure you are speaking directly to your readers.
5. Lastly, you may want to look into hiring a designer to design your eBay look and feel and help brand and personalize your business.

Lesson Four: Control Your Inventory for Profits

Mastering control over your inventory is one of the biggest secrets of successful eBay PowerSellers. A tightly managed inventory can be a source of constant profits. And, a poorly managed inventory will be a constant drain on cash.

There are two key elements to managing your inventory:

1. Eliminating non-performing inventory
2. Turning your inventory over as often as possible

Let's examine each of these to see how they will affect your profits.

Eliminating non-performing inventory

Non-performing inventory is the merchandise you have that sells very slowly or will not sell at a profit. One of the biggest mistakes I see sellers make is falling in love with their inventory. It is hard to admit a mistake –but we all make them. I have been selling on eBay and the internet for just over ten years, and I still make mistakes purchasing inventory.

Perhaps you will be at a trade show or you find a company on the internet with a really unique product you just **know** will sell. But when you put it on eBay –no one is interested. Or, they may be interested –but not at a price you can make money at. Or, you may find a product that is making money like crazy and then your competition discovers it and starts driving the prices down. This happened to me last year.

For a while I was one of a few people selling the popular line of Rachael Ray Kitchen Knives on eBay and I was getting top dollar. As other sellers noticed my sales they came into the market. It was OK at first because my competition were other professional sellers. But then the weak sellers started selling. When they couldn't get the prices they wanted they started undercutting the other seller just to break even. Pretty soon I was stuck with 4 cases of knife sets (24 sets) that cost me about \$55 a set. There were people selling them on eBay for as little as \$59. At that point I decided to cut my losses. I put them all up on eBay for \$49 a set --\$6.00 below my cost to get rid of them.

This is what you have to do. Sure it hurt to take a loss, but once I sold all the knife sets, which happened pretty quickly, I now had \$1,176 dollars to purchase new inventory that I could make money on. Yes, I could have kept my price at \$59 or even a little higher and eventually broke even. But, as you will see below when I talk about turning your inventory over, taking that small loss ultimately made me more money.

So the lesson here is to cut your losses. Inventory sitting on a shelf because it just won't sell, or inventory that is selling but not making money is a loser. It costs you time, money and opportunity.

Turning your inventory over as often as possible

The number of times you can turn your inventory over in a year is one of the keys to profit in any resale business. This is the secret to the success of deep discount stores. They make a tiny margin on each sale, but the items sell quickly, so they can use that money to turn around and purchase more inventory.

Let me create an example. To keep it simple I will ignore eBay and PayPal fees and shipping cost, but the example holds true and will demonstrate the power of inventory turn.

I will use blue jeans as the product. Assume you have a supplier who can provide a constant supply of jeans at an average cost of \$14 pair, but their minimum reorder is \$500 which works out to about 36 pair of jeans with each order.

So you start selling the jeans and you are averaging \$30 pair. At this price point, you sell 4 pair per week. Therefore it will take you 9 weeks to sell all of your jeans so you can reorder. At this rate you are making a gross profit of \$576 every 9 weeks or \$3,238 at the end of the year.

Now, you decide to lower your price so you can move the jeans out faster. You cut the price to \$25 pair and your sales go up to 8 pair week. You are only making \$11 per pair now, versus \$16 when you sold at the higher price. But, your weekly profits now run \$88. More importantly, though, you will go through all of your jeans in 4 ½ weeks for a total gross profit of \$396. Now, divide 52 weeks by 4.5 weeks and you see that you can turn this inventory over 11.5 times each year for a total profit of \$4,554. At the higher price point you were making \$3,238 per year and now you are making \$4,554 –an additional profit of \$1,316. That is a 40% increase in total profits for the year.

Granted this is a simple example, but it makes the point of how powerful increasing the number of times you turn your inventory over can be.

Of course you could take this to the extreme. If you lowered the price to \$15 you could sell all 36 pair in one week, but at a dollar per pair gross profit you wouldn't even make enough to cover basic fees. So the trick is to experiment and find the sweet spot that allows you to maximize your inventory turn rate consistent with making a profit. This also demonstrates why tactic number one, getting rid of non-performing inventory is important. You can't reap the benefits of turning your inventory over if it is sitting in your closet or garage.

Lesson Four Summary and Action Steps

Summary

The first step to get control of your inventory is to count it. You must know how much and what items you have. I do this about twice a year –right after the Christmas season in late January or early February and again in late August. You will be amazed by what you find. Every time I do a

physical inventory count I discover inventory I didn't know I had, and I usually find a couple items missing that I thought I had.

Action Steps

1. Identify slow-moving or unprofitable inventory and get rid of it. You can cut the individual prices to the point where it will sell quickly. If you have a large amount of similar goods, consider putting them up on eBay in a Wholesale Large Lot auction. Remember, if you made a mistake buying a specific product, someone else might make the same mistake and take the lot off of your hands.
2. Experiment with your pricing to find the best price point to maximize your inventory turn.
3. Perform a physical inventory count at least twice a year.

Lesson Five: End Your Listings When Your Buyers are Online

According to eBay, about 80% of buyers find items by searching. The other 20% find items by browsing, or they arrive at an item from an off-eBay search or link from an eBay affiliate. So coming up in search results is highly important to your success. That means you have to have the right keywords people are searching for and you want to end your listing when the most potential buyers **for your product** are on eBay.

If you are wondering why this is an important topic, let me explain. eBay gives auction-style listings their most exposure in the 1-2 hour period right before the listing ends. When a buyer performs a search for an item on eBay, the single biggest factor after matching the search term is *Time Ending Soonest*. This is the greatest leveler between large and small sellers because it guarantees you top search position during this period.

When eBay's search engine is in the default *Best Match* mode, it always ranks the listings ending the soonest at the top of the page. Therefore you want your auctions to get this exposure on a day and time when the most number of people are on eBay. At least that's the theory.

Conventional wisdom is that Sunday and Monday evenings are they best time to end an auction. But, that may not always be true for every product. There are several factors at work today that were not present a few years ago.

I usually end most of my auctions on Sunday and Monday evening and I must admit that they do pretty well on those days. But just to be sure I have started listing items on different days to see what happened. I also spent some time with the [HammerTap](#) research software to see what they came up with.

I sell in several product niches: Here are a few of the products I sell with the ASP in parentheses:

- Outdoor Patio Firepit Grills (\$225)
- Graviti Automatic Pepper Mills (\$25)
- Vinturi Wine Aerator (\$35)
- EZ Cube Digital Photo Light Tents (\$200)

I used to list them so they would end on Sunday or Monday evening, but lately I have been trying them on different days and experimenting with the ending time. (Remember eBay time is Pacific Time zone).

Here are some surprising results. (Note: the hyperlinks go to the listing on eBay if you want to see the product. If you get this book and these links are not working its because they expired. Here is a link where you can see all my listings:

[http://shop.ebay.com/mcgrrrrr/m.html?_nkw=&_armrs=1&_from=&_ipg=\)](http://shop.ebay.com/mcgrrrrr/m.html?_nkw=&_armrs=1&_from=&_ipg=)

1. [Outdoor Patio Firepit Grills](#) (\$225) - This one was a shocker. According to HammerTap, Sunday and Monday had the highest number of listings and were responsible for 18% and 32% of the listings sold. But, although Tuesday had the lowest number of listings, 62% of them sold and the average selling price was the second highest of any day of the week. Even more surprising, the conventional wisdom is that Saturday is a poor day to end auctions, but on Saturday 53% of all listings closed successfully and at a pretty good ASP. When I looked at my sales, I also had a good success rate on Tuesday and Saturday. Monday was still my best day, but Saturday brought me the highest prices.
2. [Graviti Automatic Pepper Mills](#) (\$25) – there were also some surprises with this product. According to HammerTap, Monday was the best day to end a listing, but the second best day was Friday and the listings that ended on Friday achieved a higher price. My experience was slightly different. I had my best sales on Monday but my highest price came on Saturday afternoon.
3. [Vinturi Wine Aerator](#) (\$39) – This product produced the biggest surprise. There were no bad days. Wednesday and Friday were the poorest days, but they were still good days and Friday and Monday achieved the highest prices. As an interesting side note, I also sell this product on Amazon and Friday and Saturday are also the best days for sales of this product.
4. [EZ Cube Digital Photo Light Tents](#) (\$200) – This one was really interesting in two ways. Not only was Sunday the worst day, with Tuesday being the second worst, but the time of day was also a surprise. Sales between 6-9 AM came in strong on weekdays. Thursday turned out to be the best day. I checked my results against HammerTap and they were pretty close with Monday the best day and Thursdays before 11AM as the second best day and time. This is completely counter-intuitive, but you can't argue with results.

The other constant that I saw across all of the product categories, except for the light tents, was that auctions ending later in the evening actually did pretty well.

You would think that by 9PM Pacific Time (midnight Eastern Time) that auctions would be doing poorly as most people are watching their favorite TV programs. But that is not the case. It turns out that auction listing success rate peaks at 4PM, but they are also

fairly high from 8PM to 9PM on most products I looked at. My Vinturi Wine Aerators did especially well late at night –selling well past 9PM Pacific Time. (Perhaps this is when people are well into their wine?) However, I should point out, that the listings that ended successfully late in the evening tended to be Buy-it-now or fixed price listings. Auction listings still did better during the early evening hours and on Saturday's daytime.

So what has changed? There are two theories. One is that more and more people have TiVo or Cable and Satellite DVRs. So they are taping shows to watch them later. There is also the summer factor when most TV shows are re-runs. My data is from July-August. So I plan to revisit this in the Fall to see if the results hold up.

The second factor is simply competition. Since so many eBay sellers follow the conventional wisdom, there are fewer listings on the so-called poor days. This means your listing has less competition and a greater ability to stand out. This also explains why I often saw the highest selling prices on those off days when there were very few listings ending. You may get fewer eyeballs on a Saturday, but you have a much greater chance of your listing being found in search than on a day when you have many more competing listings.

Summary and Action Steps

Summary

It pays to experiment with different ending days and times because the conventional wisdom may not be true for all products.

Action Steps

1. Experiment with different days and time of day to end your listings. Yes you will waste a bit in listing fees, but what you will learn will be worth much more in the long run.
2. If you don't have the breadth and depth of product to experiment, then get a service such as HammerTap or Terapeak. Vendio also has a research tool, but I haven't honestly tried it –although I have spoken to other sellers who swear by it.

If you [use this link to HammerTap](#) you can get a free 10-day trial and save \$7.00 per month on their service for the first year.

Wrapping Up

That's it for your five-part mini course. As I stated in the introduction, this was not intended to be a basic "how to sell on eBay" course –rather the goal was to give you the information to help you rise above other eBay sellers and run your business like a pro.

Many of the things we discussed in here are simple –and most are not really secrets in the traditional sense, but they are secrets in the sense that most sellers ignore them.

If you want to learn more 'secrets' and learn how to build a professional eBay business, check out our flagship training course – [The Complete eBay Marketing System](#). It covers all aspects of starting and running a successful eBay business including extensive information on product selection and how and where to source wholesale products for your eBay business.

Some other titles you may be interested in include:

[How To Make Money Selling Used Books on eBay, Amazon and The Internet](#)

[How to Start and Run an eBay Consignment Business](#)

[How To Create and Sell Information Products on eBay and The Internet](#)

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Good luck with your eBay business

Skip McGrath