



The eBay Auction Newsletter

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Proudly published for over 4 years by Brian McGregor

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Welcome from Brian McGregor



Welcome to the latest edition of the eBay Auction Newsletter.

If you're a new subscriber, a particularly warm welcome to you.

In this edition, it looks like the eBay world that we've known and loved(!) is about to change BIG TIME!

As eBay's CEO Meg Whitman stands down and is replaced by John Donahoe, the company has announced some far reaching operational changes that will have an impact on every single seller.

Indeed there are so many changes happening at once, as a cynical old ex IT professional I say to myself, "Oh no. Don't these guys ever learn?" If you make one change to a big computer system like eBay, the chances are that something is going to go wrong.

But to make as many changes as eBay plan to, and all round about the same time? In my opinion, this could prove problematic - to put it politely.

When the complaints start pouring in I want you to remember, we predicted it here first. I can hear them now, "Why are inaccurate fees being charged to me", "Why isn't feedback working properly", and "How on earth do I verify my DSR?" (What, you don't know what your DSR is? You'll find out later)

I describe the changes in an article in the newsletter, it's called "The Times Are A Changing on eBay". In general, I'm usually of the opinion that change in anything is good. It keeps us on our toes. It forces us to think about new ways of doing things.

Let's hope these changes don't result in a death in the eBay family. The demise of the Golden Goose perhaps?

Take care, and good luck in your eBay business.

Speak to your soon.



1. Thought for the Day

"I can't change the direction of the wind. But I can adjust my sails."

Unknown Author

2. The Times Are A Changing on eBay

As you probably know, eBay have testing new ways of doing things in their Beta Playground for over a year. But not even the boldest of observers predicted the scope of the changes which would be made as a result of all that experimentation!

Incidentally, it doesn't matter where you're based, most of these changes are being rolled out over eBay's big country sites.

Let me give you a brief rundown....

[Lower insertion fees for auction and fixed price listings \(including Store Inventory Format listings\)](#)

This could be a response to the Amazon auctions threat, where listings are free.

[Higher Final Value fees](#)

I love the way eBay describe those two changes. There's a reduction in listing fees, and then an "adjustment" to Final Value fees. It's as if they'll choke if they anyone dares utter the correct word - increase.

There is some debate in the eBay community as to whether this really is a free decrease. Consider these examples is based on the old insertion fee of 40 cents plus commission fee of 5.25%, and the new insertion fee of 35 cents plus 8.75% FVF.

If you list 100 items with a starting price of \$9, and you sell 50% of them at an average selling price of \$9, it would cost you a total of \$63.63 in fees under the old structure. Under the new pricing regime, you would pay a total of \$74.38. This is a fee increase of 17%.

If you list 100 items with a starting price of \$9, and you sell 50% of them at an average selling price of \$35, you would have paid \$121.75 in total fees under the old pricing structure. Under the new pricing structure, you would pay \$162. That is a 33% fee increase!

Despite this, John Donahoe announced in his keynote address at the Ecommerce Forum that the majority of sellers will see a decrease in fees. Really?

[Reserve fees will no longer be refundable if the item sells](#)

[Fixed Price Format items can no longer be listed for under \\$1.00](#)

This could have an impact on many of those sellers who sell information products like ebook. It also affects the strategy for collecting lot of feedback in a short time.

[Picture Gallery is now free \(but not in the UK\)](#)

This is good news, except if you're a UK eBay'er that is. Listings with Gallery photos usually outsell listings without them by quite a margin. Indeed, eBay Australia did some research and found that items with pictures had a 17% higher sell-through rate, received 73% more bids, and achieved a final sale price 189% higher than those without.

[Tiered pricing for Featured Plus, Pro Pack and Homepage Featured](#)

This move broadly makes sense. These features have always been at a fixed price, regardless of the value of the auction. Now, the price for these heavyweight features will be determined by the Start Price or Reserve Price of the listing. Which is fairer.

What isn't quite so fair is that some of these fees are being adjusted - sorry, increased!

[Several of the changes are tied to Detailed Seller Ratings \(DSR\)](#)

I mentioned DSR's earlier. Your DSR is extremely important as it is going to determine how prominently your listings appear in searches. Or, as eBay puts it, "Search visibility will be tied to customer satisfaction". Given that customer satisfaction is going to be a combination of DSR, feedback and fewer complaints filed against the seller, it will pay you to understand how you can keep your DSR in good health.

PowerSellers are also going to find that their DSR is factored into the equation as to whether they remain at PowerSeller status.

[Best Match will determine your listing's position in search returns](#)

Pretty soon, gone will be the days when the presence of keywords in your auction title was the only factor in deciding where your listing appeared in search return results.

Best Match will become the default sort option from 1st March, 2008. The calculation of Best Match seems to be complex. You can read about it in this article:

<http://www.auctioninsights.info/ebays-best-match-made-simple.html>

[PayPal is being \(even more\) aggressively promoted](#)

It's long been known that eBay have (nicely) tried to encourage us all to accept PayPal, only PayPal, and nothing but PayPal...

I know that here in the UK, Google Checkout has overtaken PayPal in terms of value of sales being processed. Mind you, this may have more to do with the size of the online retailers Google have signed up, rather than being any reflection on PayPal.

What eBay is now introducing is what they term "Safer payment options". What this means is that in certain categories, the only payment you can offer will be PayPal - or a merchant credit card facility, which 99.9% of eBay won't have!

[Feedback remains, but not as we know it](#)

eBay are about to overturn a fundamental principle in that sellers will no longer be able to leave buyers negative or neutral feedback. The seller can only leave positive feedback, or leave none at all.

On the other hand, buyers will be able to leave any feedback they wish about the seller.

eBay's logic here is that buyer's will be more honest with feedback they give a seller if they know they will not receive a retaliatory negative or neutral. Which is great - if you're a buyer.

But what about sellers? Sellers are now completely at the mercy of any buyer, without any means of deterrent via feedback.

I guess members on eBay forums might have a thing or two to say about this one!

I hope this short outline has given you an idea of what is coming or, in some cases, has already started.

I'm sure I'll be returning to this issue in the coming weeks as the shakeout hits the fan!

For more details currently, here are the links:

[USA eBay](#)

<http://pages.ebay.com/sell/update08/overview/index.html>

[UK eBay](#)

http://web.ebay.co.uk/businesshub/index.php?page=price_changes_uk_general

3. How to Email Your Way to More Profits From eBay

Although selling on eBay is internet based, have you thought about how you can make more profits by adding an email element to your eBay business?

Let me explain...

If you collect the email addresses of your customers and auction visitors and begin to establish a long term relationship with them. For these people, you can:

Email special offers that are related to their original eBay purchase

Give links to your current auctions that are relevant

Give links to your off-eBay blog or website

How do you build your email list?

You may already have a list of your eBay customers and people who have added you to their Favorite Sellers list. This is your start point. To keep within the laws, particularly in the US, ask these people first if they want to receive periodic offers from you. And then in any commercial email you send must include instructions on how the recipient can "unsubscribe" to stop receiving your messages.

Next, to keep topping up that list, eBay allows you to provide a link within your auction listing that takes visitors to a page on a website off eBay, providing that page gives more information on the auction, and only if it doesn't offer the same item for sale. On this page of further information, you can provide an opt-in form that people can use to subscribe to your newsletter.

Also, in the emails that you exchange throughout the eBay transactions, include a line that says, "I may periodically send you details of new items for auction that you may be interested in. If you don't want to receive these emails, please unsubscribe by emailing me."

You can also collect opt-in email addresses from your About Me page. Create a compelling offer by giving away a newsletter or valuable free report to encourage people to sign up. In your auction listings and your eBay Store encourage people to check out your "About Me" page.

Don't forget PayPal. You can create an instant mailing list from previous customers who've used PayPal. You now have an instant list of customers who have already purchased from you in the past (and statistically, are 30% to 50% more likely to purchase from you again)! To get a list of these addresses from PayPal, open your PayPal account and click the History tab, then click Download My History. You can customize the Date Range fields and Export format which you can then save to your PC.

Again, if you decide to do this, your first message to your list should mention why you're mailing them (i.e., because they've purchased previously). In this first email, make sure you state that they can simply click "Reply" to be subscribed to your newsletter updates. Anyone who replies can be considered to have opted in -- and you can add their addresses to your mailing list! If they don't reply, DON'T continue to email them or you'll be sending spam.

This can all be handled manually when you start out. It's only when your list grows that it makes sense to use an autoresponder service to automatically manage the subscriptions and unsubscribing.

When I first produced the eBay Auction Newsletter, I had around 95 email addresses on my list. It's now around 42,000.

At some point quite late on, I realised that automation was the only way to go. I tried to manage my newsletter emailings manually, but this turned out to be a false economy. I now use Aweber, and how I wished I had used it earlier!

When you create a mailing list, you're taking a giant leap beyond almost all of your competitors on eBay.

Email marketing is one of the most powerful and inexpensive ways for online businesses to market their products and services.

4. A Gift From Me to You

Here's a small ebook with a BIG punch.

You'll probably know how popular MySpace is? Well, this ebook shows you how you can use MySpace to generate income on eBay.

It's only 9 pages long. You can download it from:

<http://www.workwinners.com/myspace/>

5. News & Views

Now That's Magic

Although I pride myself of having a reasonable understanding of the english language, I have a lot to learn.

This was brought home to me by a gentleman called Randy Smith.

I've just bought his ebook entitled "Magic Auction Words", and it's an eye opener.

I thought I could create effective listings, until I read this ebook.

If your auctions don't appeal to your buyers "look, sound and feel thinking, you're missing out on money.

The examples of eBay auctions Randy walks you through are worth the modest cost alone.

<http://www.workwinners.com/magic/>

Speaking About the English Language

If like me, you've a fascination with words and you like to demonstrate that by writing your own "stuff", this may be of interest.

It's a brand new site which has every resource budding writers could want.

<http://www.workwinners.com/writing/>

Software For No Cost

You will know that software can be expensive.

Well, here's a site where software is at zero cost. You can grab \$3,920 worth of Windows software today. There's no catch, other than subscribing to a newsletter, which you can unsubscribe from straightaway if you wish.

Take a look at the software products:

<http://www.workwinners.com/software/>

Any Surprises in eBay's 2007 Figures?

eBay recently published it's Annual Report for 2007.

The revenue growth isn't what it was in previous years, which is to be expected for a company of this size.

However, there is one figure which never ceases to amaze me.

How many people do you think are currently joining eBay each day? That is, how many new members does eBay get every day?

Would you think a thousand a day?

Or maybe 5,000 a day?

OK, then perhaps 20,000?

Nowhere near!

For each and every day from 1st October, 2007 to 31 December, 2007, the number of new eBay accounts created averaged 332,609.

That's over a 30 million new buyers in the last 3 months, all desperate to buy what I'm selling on eBay. I wish!

If you're interested in the detail of eBay's 2007 performance, you'll find it here:

<http://investor.ebay.com/>

The Fourth Emergency Service or What?

A couple went shopping to Asda, only to have their car break down in the car park. The man told his wife to carry on with the shopping while he fixed the car.

The wife returned later to see a small group of people near the car. On closer inspection, she saw a pair of hairy legs protruding from under the chassis.

Unfortunately, although the man was in shorts, his lack of underpants turned his private parts into glaringly public ones. Unable to stand the embarrassment, she dutifully stepped forward, quickly put her hand up his shorts, and tucked everything back into place out of sight.

On regaining her feet, she looked across the bonnet and found herself staring at her husband who was standing idly by.

The Automobile Association mechanic had to have three stitches in his forehead.

6. Someone's Auctioning What???

Nothing surprises me when it comes to internet auctions. Amuse yourself with some of these beauties in our regular trawl through eBay's auctions.

[Now that's a good idea!](#)

[Is this for real?](#)

[I think I'll make a bid for this...](#)

[I guess there's one pi**ed off pub landlord in Plymouth.](#)

[Got a flash IQ? Maybe you can help here?](#)

Disclaimer - I have no association with any of the sellers of the above items.



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<http://www.auctioninnercircle.com>

NOTE: Depending on when you view this newsletter, you may find some links to third party sites no longer work. I know how frustrating this can be. But please don't shoot the messenger! The internet is a fast moving environment and, as the newsletters age, it is to be expected that some links may become obsolete over time.

The moral of the story?

If the newsletter sends you to a site that interests you, and you think you might want to refer to it later, make sure you store the site address in YOUR favorites.