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SELLER DO'S AND DON'TS

The ideal eBay seller describes his merchandise accurately and unequivocally, ships quickly, doesn't pad selling prices with "handling" charges, and leaves Feedback for buyers as soon as they pay, rather than waiting to see what sort of Feedback he receives. The ideal eBay buyer pays promptly and is happy with her merchandise because she made sure she knew what she was bidding on.

This chapter takes a look at how you can fit the profile of the ideal seller, and how to handle those less-than-ideal buyers you may encounter. The next five chapters provide more detailed how-to information on the ins and outs of selling.

eBay Seller Rules

As you might expect, eBay's rules for sellers are less restrictive than those for buyers. This is because eBay is seller-driven; that is, sellers pay the bills.

eBay seems to enforce the rules lightly at times, but this doesn't mean that sellers can do as they please. Break the wrong rule at the right time, or break a rule too many times, and you'll find your account suspended.

The Prime Directive

While it's not exactly set forth in this manner, one rule for eBay sellers outweighs all others: *You must pay your eBay seller fees*. Not surprisingly, failure to pay eBay will get your account suspended faster than *any* other rule infraction.

NOTE *If your account is suspended for not paying your seller fees, the fastest way to get your account reinstated is to use an alternate means of payment. Use a different credit card, PayPal, or your checking account instead of the credit card, or vice versa. This way, there's no chance that your payment will be rejected. Be prepared to wait as long as two or three days after you make your payment for reinstatement.*

Prohibited Items

The next most important rule from eBay's viewpoint has to do with items you are not permitted to sell. Prohibited or banned items include firearms, live ammunition, and dangerous toys like Jarts (a two-player outdoor game that involves tossing large, metal, potentially lethal darts at a target), fireworks, Freon, illegal drugs, drug paraphernalia, body parts, and hundreds of other items. To see a full list of prohibited items, go to <http://pages.ebay.com/help/sell/questions/prohib>.

If you post a prohibited item, eBay will catch the listing within hours, if not minutes, of its posting. When a prohibited item listing is discovered, eBay ends the listing and removes it from the Completed Listings database as well. The listing fee is refunded to the seller.

NOTE *If eBay's staff doesn't catch a banned item right away, it will probably be reported by a member. Finding and reporting listing violations is a hobby for many eBay users.*

On occasion, a potential buyer may spot a prohibited item before it's canceled and place a bid. But unless you're hovering over the listing, watching it from minute to minute, it's unlikely you'll even see the bid or find out who the bidder was.

If you repeatedly post prohibited items, eBay may suspend your account. There is no evidence that eBay keeps a tally of how many times a member posts a prohibited item, but that doesn't mean eBay monitors aren't tracking you.

NOTE *Unfortunately, quite a few prohibited items are in great demand, and some sellers may be tempted to post items that are prohibited but not illegal (such as Jarts sets). There are a couple of avenues available for those sellers. One is to try another auction site. Another*

is to post it as a Buy It Now item or as a regular auction, and check it frequently to see if you have any bidders (whom you can contact by email to close the deal, even if your item is canceled). Just be aware that you are putting your seller account at risk.

Ironically, legitimate items are sometimes canceled as prohibited. This probably happens because people monitoring the site cancel items based on the presence of certain keywords and phrases alone, rather than investigating what the item really is. If this happens to one of your listings, all you can do is relist the item.

Excessive Shipping and Handling Charges

It is against eBay policy for sellers to extort money from buyers with inflated shipping and handling charges. eBay is particularly sensitive to this because the practice costs the company money in lost final value fees.

eBay doesn't set a ceiling for handling charges, but it's easy to detect when a seller is shaking her customers down for extra cash. If you try to pull this on bidders, someone (probably several someones) will complain, and eBay will act.

In addition, you will lose bids and never know it because hardheads like me will refuse to do business with you. Be honest and build your costs and your desired profit into an item's minimum bid or asking price.

NOTE *More and more buyers are expressing unhappiness with the idea of handling charges. Some regard it as an illegitimate way to raise the price on an item. To avoid problems, include what you feel is a fair percentage of your costs in your auction minimum or sale prices. Say it costs you \$5 to make a round trip to the post office once a week to do your mailing, and you pay 1½ cents each for shipping envelopes. If you ship 40 items a week, adding 15 cents to each auction will more than cover those expenses—the real cost for handling—without alienating buyers. Add 50 cents to each item for the tiny amount of time you spend handling it, and you're way ahead of the game.*

Good Business and Common Sense

The remainder of eBay's rules and policies for sellers involve being honest and doing what you say you will do. Basically, eBay requires the following:

- You don't misrepresent what you're selling.
- You ship the items you've sold (no substitutes) in a timely manner.
- You provide accurate contact information.
- You don't engage in shill bidding (see Chapter 16).
- You do not indulge in Feedback extortion.

It's all fairly basic, but there are those who miss the point or are intent on ripping off buyers in one way or another. Because of this, eBay has posted an exhaustive discussion of rules for sellers. To see the rules, go to eBay's main Help page, type **rules for sellers** in the Search box, and click the **Search Help** button. You will see the screen shown in Figure 6-1.

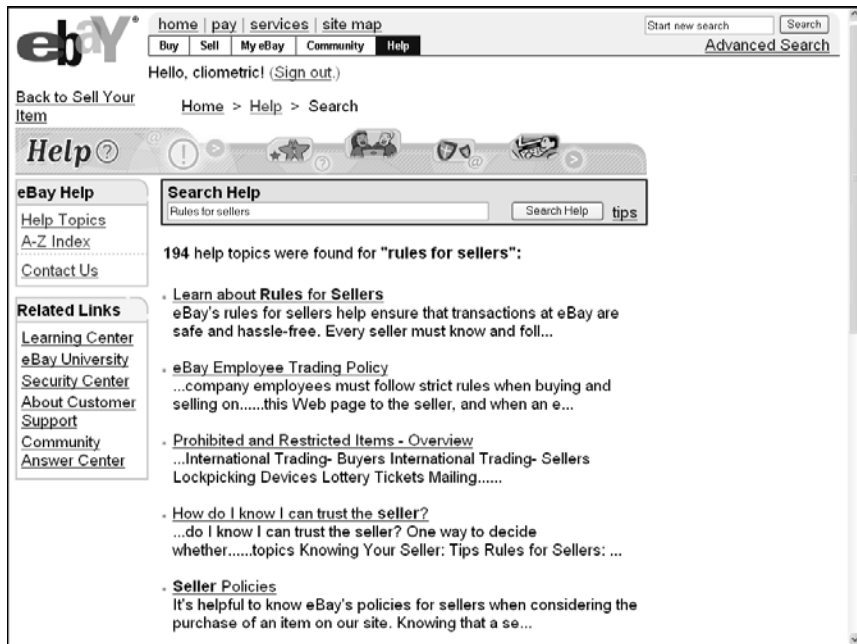


Figure 6-1: Rules for Sellers page

Communicating and Closing the Deal

Assuming that you aren't planning to deceive buyers and want to get all your deals done as quickly as possible and without problems, you'll want to follow certain steps after an auction ends.

More often than not, the buyer will be waiting to hear from you. Send the buyer a note, thanking him and advising him of the total amount due and the payment methods you accept. eBay recommends that sellers contact winning bidders within three days of the end of an auction. (Again, this is a *recommendation*, not a rule.) The majority of eBay sellers contact buyers within 24 hours. If you are like most sellers, you will probably send email invoices advising buyers of their totals and payment options. (Several services can do this for you.)

NOTE *It is against eBay rules to require buyers to pay cash.*

Most of the time, winning bidders will reply to let you know of their intent regarding payment. They might let you know they're using eBay's Pay Now feature to pay immediately with PayPal, or that they will be paying with a check, using a money order, or by other means.

If you don't hear from a buyer the same day an auction ends, don't get nervous. He may be traveling or indisposed for one reason or another. If you don't hear back within two days, send a polite note advising him that you need a shipping address, so you can pack his item and send it as soon as payment arrives. (This beats the heck out of "I ain't heard nuttin' from you yet—you gonna pay or not?")

Sometimes, the buyer initiates contact, which is fine. This kind of buyer is usually anxious to pay for and receive what he has won, so you should make it a point to reply to him as quickly as possible.

Once you've heard from the buyer—directly or through an automated system—it's polite to acknowledge the contact and let the buyer know you'll be shipping his item as soon as you receive payment. This also reassures the buyer and may spare you from subsequent follow-up inquiries.

If you have a stated shipping policy, such as "I ship only on Thursdays," remind the buyer of that in your email. And make sure it's a *reminder* of something you already stated in your auction listing. Don't spring a funky shipping schedule on a buyer *after* he wins an auction.

Most buyers don't expect notification when a seller ships their items, and most sellers don't send notes to buyers advising them that they've shipped an item. Thus, it's usually a nice surprise if you go the extra mile to provide such added service. Good communication creates good will, which can result in repeat customers *and* make handling any problems easier.

What If the Buyer Doesn't Contact Me?

If four or five days go by and you don't hear from your winning bidder, you might consider contacting her by phone, snail mail, or an alternate email address. You can usually find such information through the Find Contact Information page, shown in Figure 6-2. (To get to this page, go to the Advanced or Basic Search page and click on the Find Contact Information link in the Members box on the left side of the page, near the bottom.)



Figure 6-2: Find Contact Information page

Filing a Payment Reminder

If you cannot reach the member by phone, or don't want to spend the money for a long-distance call, you have two options: wait and hope to hear from the buyer or file a Payment Reminder.

As with most kinds of conflicts, bringing in a third party usually gets the other person's attention and prompts him to resolve the issue. Filing a Payment Reminder brings in that third party, in the form of eBay. Whether the buyer has flatly refused to pay (due to buyer's remorse or whatever) or just hasn't contacted you, filing a Payment Reminder will most likely bring about a resolution.

How long you wait to do this is up to you, and will probably depend on the amount of money involved, how many bids the item received, and how much apparent interest there was in the item (gauged by the number of views and watchers). But by eBay rules, you must wait until ten days after an auction ends to file a Payment Reminder. This is to ensure that the buyer has plenty of time to contact you.

You can file a Payment Reminder from the Dispute Console (shown in Figure 6-3), which is accessible via a link on your My eBay page.



Figure 6-3: Dispute Console

When you file a Payment Reminder, eBay notifies the buyer by email. And for the next 14 days—or until the buyer contacts you—a pop-up window is displayed whenever the buyer signs on to eBay. At this point, you and the buyer have the option of agreeing to abort the transaction. If you do this and close the dispute at your Dispute Console, eBay will refund the final value fee charged for the auction. If the buyer doesn't respond to the email or pop-up

window within seven days, you have the option of closing the dispute and receiving a final value fee credit. See the “What If a Buyer Doesn’t Pay?” section later in this chapter for more on Non-Paying Bidder Disputes.

Packing and Shipping

Whatever you sell, pack it carefully. Use bubble wrap, tissue, newspapers, boxes in boxes, and/or padded envelopes as necessary. Overpack—it’s better to pay for a couple of extra ounces of postage than to deal with an item damaged in transit. Buyers appreciate good packaging almost as much as fast shipping, even if your packaging makes the item difficult to open.

The main consideration in shipping is time. It is helpful for sellers to remember that the “clock” starts running in the buyer’s mind the day he sends payment. Take this into consideration when replying to an anxious seller’s query as to the status of the item.

Most buyers get uncomfortable if they need to wait for an item more than a week. So, if you don’t plan on shipping until several days after an item is paid for, make a point of letting the buyer know when you do ship the item, so he can “reset” his mental clock. You may want to do this even if you ship the item the day you receive payment; the wait will seem far shorter to the buyer.

For the same reason, if you ship an item by Parcel Post, Media Mail, or another slow delivery service, advise the buyer that the item will take some extra time to reach him. Better yet, head off potential buyer anxiety by using the fastest available shipping method that the buyer is willing to pay for. For example, books can be shipped First Class less expensively than Priority Mail, and they will arrive much faster than items shipped as Media Mail.

International shipments should go by airmail. This is true even of shipments between the United States and Canada. The nature of the Canadian postal system is such that items sent by regular surface mail from a point in the United States only 200 miles away can take a couple of months to arrive. If you ship to Japan or Europe and use surface mail instead of airmail, you can encounter extreme delays. (One package I sent to Belgium from the United States took five months to get there!)

NOTE *I am told that customs officials in some countries or ports simply allow international surface mail to back up until the pile is too big to ignore. In countries where political unrest is common, internal delays can result in even airmail taking months to be delivered.*

Also, be sure to fill out any required customs forms when you send packages out of the country. Your local post office will have these forms on hand, or you can complete a customs form online at <http://webapps.usps.com/customsforms>.

Dealing with Problems

After the auction, things might not go all that smoothly. The buyer might not pay, or she may say that your package didn’t arrive.

What If a Buyer Doesn't Pay?

If a buyer doesn't reply to your contact attempts or simply doesn't pay, don't waste a lot of time dunning her and making threats. You can send invoices and wave the phrase "binding contract" all you like. "I'm reporting you to eBay!" is unlikely to get money out of a recalcitrant buyer. And the additional threats of filing a Non-Paying Bidder Dispute (three of which *may* result in the buyer being suspended) and posting Negative Feedback won't carry a lot of weight if a winning bidder doesn't have the money to pay, is suffering from buyer's remorse, or is angry at you because you've threatened her.

Why are threats unlikely to work? For openers, Feedback is less important to buyers than it is to sellers. (The only time most sellers check buyer Feedback is after an auction closes.) And having your buyer account suspended is not the disaster it may seem. A suspended member can easily open a new account with alternate contact information. A buyer who has accumulated a large number of Negative Feedback ratings won't mind a fresh start with a clean record if she is forced to ditch her account for a new one.

All that aside, you rarely know what is happening on the other end. The buyer may have problems that make your demands laughable. It may be that the buyer died. That has happened to me. I heard nothing from one buyer for nearly two weeks. After three messages requesting the buyer to pay, I gave up. A few days later, his widow sent a brief note advising me of his passing.

The point is that a nonpaying bidder isn't worth a lot of effort. Make a Second-Chance Offer to the backup bidder (see Chapter 14) or repost the item (see Chapter 11). If the final value fee is significant (more than, say, 30 cents), leave Negative Feedback and file a Non-Paying Bidder Dispute (also known as a Non-Paying Bidder Alert), as shown in Figure 6-4, so you can recover the fee later.

NOTE *An Unpaid Item Strike does not affect a buyer's Feedback profile, but eBay keeps track of Unpaid Item Strikes, and if a buyer accumulates too many in too short a time period, she may be suspended from buying or selling on eBay. (eBay doesn't publicly define the number or time frame.)*

After that, move on to something constructive. Don't waste your time sending email messages, making phone calls, and complaining on bulletin boards. All that will get you is elevated blood pressure.

What If a Buyer Says the Item Didn't Arrive?

Mail can be lost or stolen, but it's relatively rare in my experience. (Since the 1970s, three items I've mailed didn't reach their destinations, three sent to me didn't arrive, and one item was stolen from my mailbox.)

If someone complains that an item didn't arrive, you may be skeptical, but the first thing you should do is check your records. Make certain that you did, in fact, ship the item.



Figure 6-4: Non-Paying Bidder Dispute page

NOTE *You are keeping records of your eBay shipments, aren't you? You'll need them for tax purposes, as well as to track what you've sold and shipped.*

If there hasn't been enough time for the item to arrive, wait a couple of days before you reply. In the majority of cases where someone has griped about an item not arriving, it showed up a day or two after the complaint.

If you use delivery tracking (an extra cost for U.S. Postal Service shipments but free with services such as United Parcel Service and Federal Express), you will have little problem verifying an item's location. You may want to offer this (and insurance) as an option to buyers in your listings, accompanied by a *caveat* that you will not be responsible for nondelivery. Or you may want to make it your policy that *all* items sent by U.S. mail must have delivery tracking, paid for by the buyer.

If an item still hasn't been delivered in a reasonable time frame, it's not necessarily lost forever. Ask the buyer whether someone else at his house (or apartment building) might have picked up the item inadvertently. On two occasions, I learned that the buyer's brother or spouse had picked up the mail and forgot to tell the recipient that he had a package. Also, be aware that weird things happen all the time—in post offices, in mail-handling centers, and in delivery vehicles—that can delay mail. Small packages or envelopes can slip in between the pages of a magazine (I've received someone else's mail this way a couple of times), or fall beneath a cartload of mail, only to be found and put back on the path to the addressee days later. So, give the postal mail system at least a month to make the delivery, keeping in mind that the wait is going to be more difficult for your buyer than for you.

If the item can't be found, it is up to you to decide if you want to accept responsibility for nondelivery and refund the buyer's money. Ideally, you will have included a note in your listings stating that you are not responsible if an item doesn't show up, unless the buyer pays for delivery confirmation or insurance. In the end, it comes down to two things: whether you can afford the refund, and how important Feedback is to you.

What If a Buyer Is Trying to Con You?

Of course, some people will try to defraud sellers by claiming an item didn't arrive and demanding a refund. If you think someone is trying to con you, you have several options:

- You can ignore the complaint, if you don't mind taking a hit with Negative Feedback or an Item Not Received dispute (see Chapter 12).
- You can cave in and send a refund.
- You might offer a replacement or substitute item.

If none of those options appeals to you, try this trick, posted on a Seller Central bulletin board: Ask the buyer if he would like for you to phone his postmaster for help in tracking down the item on that end. According to the seller who posted the tip, this flushes the frauds every time. If the buyer is lying, the item mysteriously arrives the next day.

Sometimes, a buyer will try to con a seller into giving him a full or partial refund by saying that his item arrived damaged. The simplest way to handle this is to ask the buyer to return the item. If the buyer wants to keep it despite the damage, he is probably lying about the damage.

To avoid both of these problems, include a statement in your item descriptions that you are not responsible for items not delivered or damaged on delivery, unless the buyer purchases insurance. You might also require delivery confirmation on all postal shipments.

Yet another con involves the buyer complaining that an item is not as you described it and wanting his money back. If this happens to you, tell the buyer you will refund the item's selling price as soon as he returns the item to you. (Don't offer to refund shipping either way; you shouldn't have to pay for the buyer's having the privilege of viewing the item.) If the buyer is lying to you, he will usually decide to keep the item. On occasion, a crooked buyer may ask for a partial refund but still keep the item. Don't fall for this; offer a full refund (minus shipping fees) only if the item is returned to you intact.

Watch out for buyers who try to "bargain" after an auction ends, by saying something like "I don't think the item is worth the \$20 I bid, but I'll give you \$12." (This does happen.) Tell the buyer that he is committed at his high bid, and that you will file a Non-Paying Bidder Dispute if he does not pay you the full amount due.

NOTE *State your refund policy in your auction descriptions. Whether it's "no refunds" or "refund minus shipping costs," set a time limit, such as two weeks after receipt of the item, after which you will not allow a refund.*

If you suspect a buyer of trying to con you out of money or merchandise, you can report your concern using the eBay contact form shown in Figure 6-5. You can find a link to this form on just about any Help page.

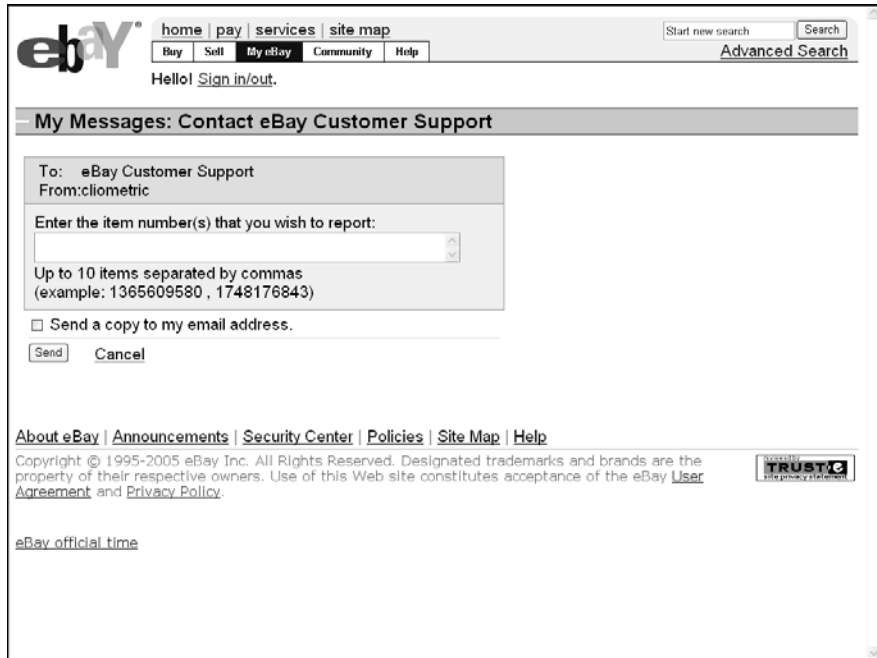


Figure 6-5: Contact eBay page

What If Shipment Is Delayed or You Can't Ship?

Circumstances may come up that prevent you from shipping an item immediately—or at all. Perhaps you misplaced the item. (Some of you who run an eBay business from your home know how easy that is, especially when you've filled up the garage and all your closets with merchandise!) Or you might have put it on the floor and stepped on it. (I did this with a rare, 55-year-old plastic model kit—*ouch!*) It could have been stolen or accidentally sold to someone else.

Whatever the reason, let the buyer know right away if there is going to be a delay, and explain why. You'll find that it's better to tell the truth than to make up a complicated excuse like having to go in for brain surgery on short notice.

If you must refund your customer's money because you lost or damaged the item, get the money out *immediately*. Then write to the buyer and tell her that the refund is on the way.

Most buyers will understand, as long as you don't compound the problem with additional delays. The few times this has happened to me, the buyers were so relieved that I handled the problem in a straightforward fashion that they had no problem with leaving me Positive Feedback.

How to Block a Bidder

A bidder who is guilty of any of the crimes just described is not someone you want bidding on your auctions again. Fortunately, you can block undesirable bidders by adding their IDs to your Blocked Buyer/Bidder list, as shown in Figure 6-6.

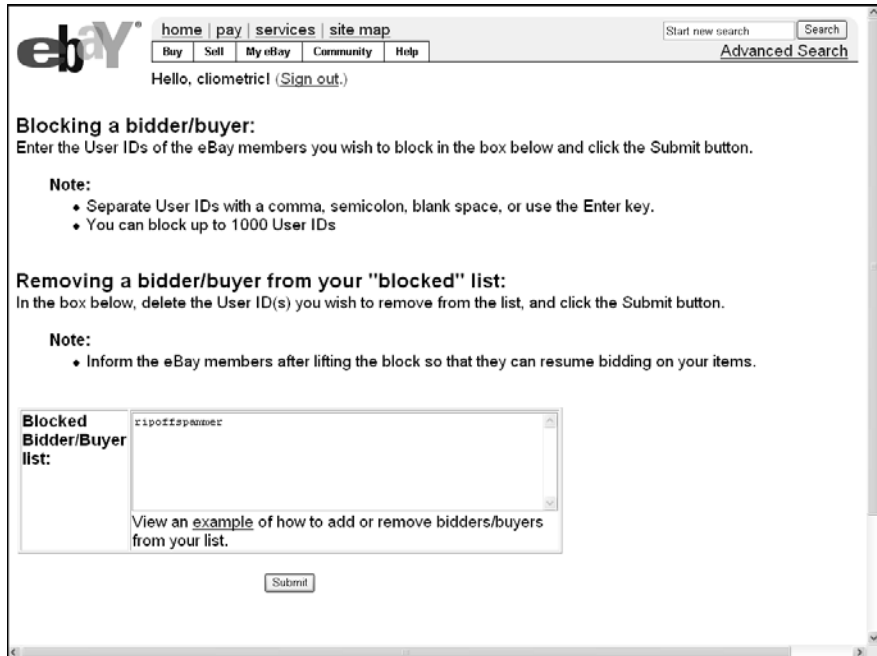


Figure 6-6: Block or Pre-Approve Bidders page

To reach this page, click the Selling Resources link near the bottom-left side of your My eBay page. This displays the Selling-Related Links page. Click the Block or Pre-Approve Bidders link in the first column of this page, which will take you to the Buyer/Bidder Management page, where you will find the appropriate link. (eBay may make this link easier to find—perhaps by adding a link to the Buyer/Bidder Management page on the My eBay page.) As you can probably figure out from the name of the link, you can also use this page to pre-approve select bidders for your auctions.

Feedback for Sellers

Feedback is important for sellers, because eBay buyers are the first to extend trust by parting with their money. If the seller doesn't deliver, the buyer loses his money. Thus, buyers are more likely to check sellers' Feedback than sellers are to check buyers' Feedback. In addition, maintaining a high level of Positive Feedback can qualify you for certain added-value programs, such as eBay's PowerSeller program and PayPal's Buyer Guarantee, described later in this chapter.

Posting Buyer Feedback

As a seller, you should leave Feedback for your buyers as soon as you receive payment from them. If payment is prompt and in full, leave Positive Feedback. If the buyer doesn't pay for five weeks or tries to get you to accept only partial payment, leave Negative or Neutral Feedback, as you feel is deserved. But make it a policy to leave honest Feedback as soon as you receive payment. After all, once you've been paid, the buyer has done everything she is required to do by eBay rules and by law.

Handling Feedback Extortion

Some eBay sellers practice something called *Feedback extortion*. They withhold Feedback from buyers until the buyers have posted Feedback for them. This is done under the guise of giving the seller a chance to “make things right.” In reality, the seller is using the threat of Negative Feedback to extort Positive Feedback from the buyer. I hope you won't be trying to pull this low-life trick yourself.

Feedback extortion is commonly associated with sellers, but buyers have been known to try it, too. A buyer may tell you that he is not going to leave Feedback until after you do—and that he will leave the same kind of Feedback as you leave for him. Some buyers also use this threat to avoid a Neutral or Negative Feedback rating in the wake of a troublesome deal (one in which they pay late, demand a partial refund, or cause other problems). Others do it as a matter of course.

Whether you give in to Feedback extortion is up to you. You can leave Positive Feedback and hope the buyer does what he promised. Or you can leave Neutral or Negative Feedback if it is deserved, and prepare to take the hit—Negative Feedback and probably a nasty comment. If you do get Negative Feedback on this basis, be sure to post an explanatory reply to the Feedback that the buyer left for you.

If you want to leave Negative Feedback without fear of retaliation, wait to leave Feedback for the problem buyer until just before midnight on the ninetieth day after the auction in question ended. No one can leave Feedback for a transaction that is more than 90 days old, and the odds are good that the buyer will have forgotten about the dispute by then—leaving you free to post the kind of Feedback the buyer deserves without fear of retaliation. (At least one online auction service, AuctionHawk.com, will do this for you.)

Added-Value Programs for Sellers

As a seller, it behooves you to conduct yourself properly. Along with boosting your sales, good conduct opens the door to some added-value programs. Sellers should do everything possible to earn Positive Feedback—from describing items accurately, to maintaining good communications, to shipping promptly.

eBay's PowerSeller Program

The PowerSeller program is an elite club for sellers who maintain at least \$1,000 per month in sales and a high Feedback rating (98 percent or better Positive Feedback is required). Membership is by invitation only, and PowerSellers are identified by a special PowerSeller icon in their listings.

PowerSellers get prioritized customer support by mail or phone, access to an exclusive discussion board, and access to special promotions and online tools. Most sellers consider PowerSeller status to be an advantage.

PayPal's Buyer Guarantee

PayPal allows sellers with a high level of Positive Feedback to offer a money-back guarantee with qualifying listings. The guarantee provides potential bidders with some extra assurance that a seller will be good to do business with, and thus encourages bids. See Chapter 15 for more information about PayPal.

Now that you know something about dealing with your eBay customers, let's take a look at your first step to becoming an eBay seller: figuring out what to offer for sale.