

Appendix A

Answers for the Fanatic: Finding More Stuff to Sell

After you pick clean everything not nailed down in your house, you may want to broaden your horizons. The key to successfully selling items at eBay is to find things people actually want to buy at the right price. (Wow, what an incredible observation.) I know it seems obvious, but having stuff to *sell* isn't always the same as having things people *want to buy*. Using this concept, you can teach yourself all kinds of effective marketing strategies. Finding the item that may be “the next big thing” takes lots of work, timing, and sometimes a dose of good luck.

As an eBay seller, no doubt you'll receive tons of spam (unsolicited e-mails) guaranteeing that the sender has the hottest-selling items for you to sell on eBay. Think about this for a second. If you had the hot ticket to riches, wouldn't you be selling the product on eBay and making the fortune yourself? These people aren't big-hearted millionaires; they make money by preying on those who think there's a magic way to make money on eBay. There isn't. It takes old-fashioned elbow grease and research.

Knowing the Market

Just as successful stockbrokers know about individual companies, they also need to know about the marketplace as a whole. Sure, I know about the top designer purses out there, and so does nearly everyone else. To get a leg up on your competition, you need to know the big picture as well. Here are some questions you should ask yourself as you contemplate making serious buckets of money (well, I hope) by selling items at eBay:

➤ **What items are currently hot?** If you see everyone around you rushing to the store to buy a particular item, chances are good that the item will become more valuable as stocks of it diminish. (iPod accessories?) The simple rule of supply and demand says that whoever has something everyone else wants stands to gain major profits. Big-box warehouse

stores like Costco usually have a full stock of popular items because their very savvy buyers purchase by the truckload months in advance — how about visiting a warehouse store to find items at discount?

- ✔ **Do I see a growing interest in a specific item that might make it a big seller?** If you're starting to hear talk about a particular item, or even an era ('70s nostalgia? '60s aluminum Christmas trees? Who knew?), listen carefully and think of what you already own (or can get your hands on) that can help you catch a piece of the trend's action.
- ✔ **Should I hold on to this item and wait for its value to increase, or should I sell now?** Knowing when to sell an item that you think people may want is a tricky business. Sometimes, you can catch the trend too early and find out that you could have commanded a better price if only you had waited. Other times, you may invest in a fad that's already passé and find that no one's interested anymore. It's best to test the market with a small quantity of your hoard, dribbling items individually into the market until you've made back the money you spent to acquire them. When you have your cash back, the rest will be gravy.



I'm a huge fan of the artist George Rodrigue. When building my collection of his famous "Blue Dog" items years ago, I came across a seller who had liberated some early museum exhibition catalogs from a dumpster. The old catalogs had been tossed in the trash, but they were boxed and bundled — and in perfect condition. Being a true-blue Rodrigue fan, I thought perhaps these catalogs might make good future eBay items. I asked the seller if he had 30 to sell, he said yes, and sold them to me for \$4 each. I resold them for the next four years, for between \$15 and \$30 each. Spotting the trends and seeing the value in items is what it's all about.

- ✔ **Is a company discontinuing an item I should stockpile now and sell later?** Pay attention to items that are discontinued, especially toys and novelty items. If you find an item that a manufacturer has a limited supply of, you could make a tidy profit. If the manufacturer ends up reissuing the item, don't forget that the original run is still the most coveted — and valuable. I once bought a case of last season's footless pantyhose at a huge discount — I sold them one at a time, at a 400 percent profit, for three years.
- ✔ **Was there a recall, an error, or a legal proceeding associated with my item?** If so, how it affects the value of the item takes a backseat to eBay policy: Items that have been recalled can't be sold on eBay (for details, go to pages.ebay.com/help/policies/recalled.html). For example, a toy recalled for safety reasons may no longer be appropriate for the kids, but even if it's rare and collectible, you still can't sell it on eBay.

But here's another angle: Consider that shares of (and any paperwork to do with) the now defunct corporation, Enron, became highly prized collectibles after the scandal hit.



Some people like to go with their gut feelings about when and what to buy for resale at eBay. By all means, if instinct has worked for you in the past, factor instinct in here, too. If you've done some research that looks optimistic but your gut says, "I'm not sure," listen to it; don't assume you're just hearing that lunchtime burger talking. Try testing the waters by purchasing *one* of the prospective items for resale at eBay. If that sale doesn't work out, you won't have invested a lot of money, and you can credit your gut with saving you some bucks.

Do You Have a Talent?

If you're talented in any way, you can sell your services on eBay. Home artisans, chefs, and even stay-at-home psychics are transacting business daily on the site. What a great way to make money on eBay — make your own product!

Personalized and custom items do well on eBay. There's a demand for personalized invitations, cards, and announcements — and even return address labels (and you thought you had all you needed). Calligraphic work or computer-designed (customized with Fido's picture, awww) items are in big demand today, but no one seems to have the time to make them. Savvy sellers with talent can fill this market niche.

People go to trendy places (when they have the time) like Soho, the Grove, or the Village to find unique custom jewelry. They also go to eBay.

The world is your oyster on eBay, and the sky is the limit. Use your imagination, and you might be surprised at what your new business will be!

Catching Trends in the Media

Catching trends is all about listening and looking. You can find all kinds of inside information from newspapers, magazines, television, and of course, the Internet. Believe it or not, you can even find out what people are interested in these days by bribing a kid. Keep your eyes and ears open. When people say, "That GEICO gecko is *everywhere*," instead of nodding your head vacantly, start getting ideas.

In newspapers

Newspapers are bombarded by press releases and inside information from companies the world over. Pay close attention to the various sections of the newspaper. Look for stories on celebrities and upcoming movies and see if any old fads are making a resurgence (you can sell items as “retro chic” — Lava Lamps, anyone?).

Read the stories about trade conventions, like the New York Toy Fair or the Consumer Electronics show. New products are introduced and given the thumbs-up or -down by journalists. This way you can start to think about the direction your area of expertise is heading.

On television

No matter what you think of television, it has an enormous impact on which trends come and go and which ones stick. Why else would advertisers sink billions of dollars into TV commercials? And look at the impact of Oprah’s Book Club. Just one Oprah appearance for an author can turn a book into an overnight bestseller. More and more celebrities (even Homer Simpson) are talking about eBay. The buzz brings people to the site.

Tune in to morning news shows and afternoon talk shows. See what’s being featured in the programs. The producers of these shows are on top of pop culture and move fast to be the first to bring you the next big thing. Take what they feature and think of a marketing angle. If you don’t, you can be sure somebody else will.

Catch up with youth culture . . .

. . . or at least keep good tabs on it. There’s no catching up with it, just as there’s no way to say this without sounding over-the-hill: If you remember cranking up The Beatles, James Brown, or The Partridge Family (say what?) until your parents screamed, “Shut that awful noise off,” you may be at that awkward time of life when you hardly see the appeal of what young people are doing or listening to. But if you want tips for hot-selling items, tolerate the awful noise of today’s music (how *did* that happen?) and listen to the kids around you. (Try to watch a little MTV, too.) Children, especially preteens and teens, may be the best trend-spotters on the planet. See what kind of marketing tips you get when you ask a kid questions like these:

- ✔ **What's cool at the moment?** Or “rad” if you want to sound cool — whoops, that was '80s-speak, wasn't it?
- ✔ **What's totally uncool that was cool two months ago?** Their world moves at warp speed!
- ✔ **What music are you buying?** Kanye West, Kelly Clarkson, Coldplay, and Black-Eyed Peas — yup, all the hot bands with big hits — but maybe *ewww-that's-so-five-minutes-ago* by the time you read this.
- ✔ **What could I buy you that would make you really happy?** *Hint:* If the kid says, “A red BMW Z-3,” or “Liposuction,” look for a younger kid.

Check out eBay

The staff at eBay sends out reports regarding the up-and-coming items by category. Visit eBay's Seller Central at pages.ebay.com/sellercentral/ for inside news. To see what has been selling well on eBay in the past 30 days, click on the *What's Hot* link on the left side of the page and you'll get a wealth of information.

Click the link to Hot Items by Category and you'll be presented with a huge document in Adobe PDF format. The document outlines the hot, hotter, and hottest items selling in eBay (by category) during the past month. If you follow this data, you can't go wrong.

Another important link goes to the *eBay Pulse*. Visit the Pulse page and you can find the most-searched-for items in each category by keyword. This is usually pretty amusing reading — you'd be surprised how many people are watching eBay listings for get-rich-quick schemes — right along with expensive real estate! You can also reach this page by going directly to pulse.ebay.com.

There's a drop-down menu at the top of the page, so that you can see the most-searched-for items in the main categories.

Check out magazines

Magazines geared to the 18-to-34 age group (and sometimes to younger teens — they call them *tweens*) can help you stay on top of what's hot. See what the big companies are pitching to this target audience (and whether they're succeeding). If a celebrity's suddenly visible in every other headline or magazine, be on the lookout for merchandise relating to that person. (Are we talking hysteria-plus-cash-flow here, or just hysteria?)

Collecting magazines

Though not quite a plethora, the number of magazines geared to collectors is definitely approaching a slew. Although these magazines won't help you catch a trend (by the time it gets into one of these magazines, somebody's already caught it), they can give you great information on pricing, availability, and general collecting information. And you can follow the course of a trend for a real-life example of how it works. Here's a list of collectors' magazines that I like:

- ✓ **Antique Trader** has been the bible of the antique collecting industry for over 40 years. Visit its online home at www.collect.com/interest/periodical.asp?Pub=AT for more articles and other information.
- ✓ **Collect.com** is a Web site from Krause publications. It gives you info on over 35 different collector's publications for everything from stamps to toys to muscle cars.
- ✓ **Barbie Bazaar** has info on everything related to Barbie. Go to www.haute doll.com.
- ✓ **Numismatic News** is an old standard that has been around for more than 50 years. The first issue each month includes a pull-out guide to retail U.S. coin prices. Every three months, it also includes a U.S. paper-money price guide.

The Hunt for eBay Inventory

If you're not sure what you want to sell for profit at eBay — but you're a shop-till-you-drop person by nature — then you've got an edge. Incorporate your advanced shopping techniques into your daily routine. If you find a bargain that interests you, chances are you have a knack for spotting stuff that other shoppers would love to get their hands on.

The goods are out there

When you shop to sell at eBay, don't rule out any shopping venue. From the trendiest boutique to the smallest second-hand store, garage sales to Saks Outlet, keep your eye out for eBay inventory. The items people look for at eBay are out there; you just have to find them.

Check your favorite eBay category and see what the hot-selling items are. Better yet, go to your favorite store and make friends with the manager. Store managers are often privy to this type of information a couple of months in advance of a product release. If you ask, they'll tell you what's going to be the hot new item next month. After you're armed with the information you need, seek out that item for the lowest price you can, and then you can give it a shot on eBay.

Keep these shopping locales in mind when you go on the eBay hunt:

- ✔ Upscale department stores, trendy boutiques, outlet stores, or flagship designer stores are good places to do some market research. Check out the newest items — and then head to the clearance area or outlet store and scrutinize the bargain racks for brand-name items.
- ✔ Tour some of the discount and dollar stores in your area. Many of the items these places carry are *overruns* (too many of something that didn't sell), *small runs* (too little of something that the big guys weren't interested in stocking), or out-of-date fad items that need a good home at eBay.
- ✔ Garage sales, tag sales, and moving sales offer some of the biggest bargains you'll ever come across. Check for vintage kitchen pieces, designer goods and old toys, and make 'em an offer they can't refuse.
- ✔ Thrift stores are packed with used but usually good-quality items. And you can feel good knowing that the money you spend in a nonprofit thrift shop is going to a good cause.
- ✔ Find going-out-of-business sales. You can pick up bargains by the case if a shopkeeper just wants to empty the shelves so the store can close.
- ✔ Take advantage of any flea markets or swap meets in your area.
- ✔ Gift shops at museums, monuments, national parks, and theme parks can provide eBay inventory — but think about where to sell the items. Part of your selling success on eBay is *access*. People who can't get to Graceland may pay handsomely for an Elvis mini-guitar with the official logo on the box. *Or maybe not?*
- ✔ Hang on to the freebies you get. If you receive handouts (lapel pins, pencils, pamphlets, books, interesting napkins, flashlights, towels, stuffed toys) from a sporting event, premiere, or historic event — or even a collectible freebie from a fast-food restaurant — any of them could be your ticket to some eBay sales.

Tips for the modest investor

If you're interested in making money in your eBay ventures but you're starting with limited cash, follow this list of eBay inventory Dos and Don'ts:

- ✔ **Don't** spend more than you can afford to lose. If you shop at boutiques and expensive department stores, buy things that you like to wear yourself (or give as gifts) in case they don't sell.
- ✔ **Do** try to find something local that's unavailable in a wider area. For example, if you live in an out-of-the-way place that has a local specialty, try selling that at eBay.

- ✔ **Don't** go overboard and buy something really cheap just because it's cheap. Figure out who would *want* the item first.
- ✔ **Do** consider buying in bulk, especially if you know the item sells well at eBay or if the item is inexpensive. Chances are good that if you buy one and it sells well at eBay, by the time you try to buy more, the item's sold out. If an item is inexpensive (say, 99 cents), I always buy at least five of it. If no one bids on the item when you hold your auction, you're only out \$5. (Anyone out there need any Bicentennial Commemorative coffee mugs?)