

eTech 'n' Stuff

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eBay section information

The "New" eBay

eBay has and continues to go through changes that are having major impacts on sellers - myself included.

In order to make sense of the rest of this newsletter knowing how eBay works is important.

Every time an item is listed on eBay there is a listing fee. This listing fee allows an item to be listed and if it does not sell it can be relisted once. This is called a listing cycle. If that item does not sell after one listing cycle it is listed again and another listing fee occurs.

When an item sells there is a final value fee. The final value fee is a percentage based on what the item sold for.

If Pay Pal is used to pay for an item there is a Pay Pal fee and this is a percentage of the order total. (Item sale price + shipping + handling)

When a person buys something on eBay there are NO fees. Sellers pay all eBay and Pay Pal fees - this is the cost paid for being able to use the eBay site to sell items.

Besides the fees per item, sellers have other fees if they use various eBay services and tools. In my case I pay a monthly fee for my eBay store, a monthly fee for selling manager and a monthly fee to be able to download sales information.

Sellers also pay for other tools not from eBay. I use EZLISTER which costs a flat



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fee per listing. And also several services and information products that have a monthly fee.

eBay decreased the upfront fees (listing fees) and increased the backend fees (final value fees) in May. Sellers were told this would decrease their overall eBay fees - actually that is not true at all. The overall eBay fees have gone up. Pay Pal also increased their fees. End result is it costs a lot more to sell items on eBay.

Feedback has changed

Along with the fee changes, eBay introduced some major changes to the feedback system. It used to be that there were three levels of feedback for both buyers and sellers. Positive, Neutral and Negative. Buyers would leave Positive Feedback if things went well. Sellers would leave positive feedback if the buyer paid in timely manner and their buy went well.

If a buyer left a Neutral or Negative the seller could leave a Neutral or Negative and then attempt to fix what ever problem the buyer had with the sale and then we could negoti-

ate with the buyer to mutually remove the Negative or Neutral if they would remove the Negative or Neutral they left us. The old way showed both problem buyers and problem sellers.

There is an entirely new feedback system now. Buyers can only receive Positive feedback. Buyers are being encouraged to "leave honest feedback without fear of retaliation" Feedback can no longer be removed or negotiated. If a buyer wants to "put it to" a seller for any reason they can and will. There is no way a seller can change or remove Neutral or Nega-

tive feedback If a sellers feedback goes below 98% there are serious penalties including suspension from selling. Feedback stays & counts for 12 months.

Buyers can now and do use "feedback extortion" {ship this free or I will leave a negative for example}

Buyers have nothing that can happen to them now. They can take weeks to pay, return items at no cost, and make other demands. Sellers now are at the total mercy of buyers.. The only good thing is sellers can still see the user name on feedback.

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**We sell your stuff on
eBay**

Special points of interest:

- *The "New eBay"*
- *Feedback Changes*
- *Consignment Policy Changes*
- *DSRs - Detailed Seller Rating*
- *Frequently Asked Questions*

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eBay Consignment Policy Changes

While a lot of section looks like it did in the last news letter there are some important changes.

I have been in contact with a number of eBay consignment sellers and have visited several businesses similar to mine in the surrounding area. Some of the things that other trading assistants are doing is charging clients eBay fees and Pay Pal fees plus they are charging as much as 45-52% commissions.

What I am going to do is actually increase your percentage by 2% and I will be setting the system so that you will be paying the eBay fees. I will continue to pay Pay Pal fees. This will be effective on all payouts after this one - you will see these changes on your next payout report.

I will be continuing with the present listing schedule; two complete listing cycles - which is 4 seven day auctions on each item. If the item does not sell it will go to my eBay store with a Buy it Now price. The charges to list per month in the store are extremely low, just a few cents per item in most cases. Items can actually stay in the store for months and not impact the eBay up front fees by much more than a few cents this is perhaps the only good thing that has happened with all the

eBay changes.

There will be a new contract reflecting these changes up on the etechstuff website and a print out will be available here at the store or if you request, a new contract can be mailed to you. Just call or email and I will mail or email you one. With the recent postage cost increases it is not cost effective to mail a new contract with this news-letter.

The reason for these changes is due to the way that eBay charges. All items have an Insertion Fee & Host Fee that is paid once each listing cycle. After the item sells eBay charges a Final Value fee. The eBay fees will be passed through and will be deducted from what you are paid.

One of the changes that eBay has started in the last week is they no longer allow buyers to pay by check or money order. All sales now go through Pay Pal so every sale will now have a Pay Pal fee of 3.2% of the total sale. I will continue to pay the Pay Pal fees. (Note: eBay owns Pay Pal and apparently feels that people paying by check or money order is taking from their profits) This change has reduced my sales already. Around 20% of people buying your items have been paying by

check or money order.

eBay has lowered the listing fees a few cents and has raised the Final Value fee from 5.25% to 8.75% for items that sell for less than \$25.00 - for items selling for over \$25.00 there is the 8.75% for the first \$25.00 and 3.50% for the rest of the balance.

Things listed in eBay stores now have a final value fee of 12% for the first \$25.00 and 8% for the remaining up to \$100 and 4% of the remaining from \$100 up to \$1000..

All items will go through 2 full auction cycles if the item sells you get 72% and you will be paying the eBay fees. Items that do not sell will go to my eBay store - items are in the store for 30 day periods if the item sells you will get 71%. If it takes longer each 30 days your commission will be decreased by 1%.

We will no longer be accepting any items that appear will sell for less than \$10.00. I have found since eBay changed the fees every single item I have sold at \$10 or less has meant a \$1.50 to \$3.00 lose after I pay you your 70% commission.

Maximum Shipping Charges on All Media Products

Very recently eBay has mandated a maximum shipping charge on all media products. Things like tapes, DVDs, records, video tapes, books and so on. The most sellers are allowed to charge for shipping is \$3.00 for media and \$4.00 for books.

The only way I can afford to ship these

products is Media Mail. Media mail can be very slow. So it will take longer to make payouts on this type of item.

It also can and probably will negatively impact my DSRs (see the DSR article)

It costs a lot more than \$4.00 to ship a heavy book from here to the West Coast

via Media Mail

This is just one more burden that eBay has placed on sellers to increase our costs and add to the time needed to get items shipped.

This means we will be accepting a limited number of media items.

Restricted items - Brand Name Items

eBay has placed restrictions on some brand name items with some sellers including me. eBay will not tell anyone exactly what items are on the restricted list, nor will they tell anyone what the restrictions are. eBay is not giving out any information at all, there just are items that eBay is not allowing us to list. Sometimes an item will go up just fine and then if it does not sell eBay will not let item be relisted. Sometimes they will not allow a item to list at all.

This is not affecting all sellers and there is no written policy at all. There is a procedure in place to request increases in the limits which I have submitted twice. The first time my request was totally ignored. The second time it was denied and they are now saying I can reapply in 90 days.

Some brands that I have had restrictions on include: Chanel, Baby Gap, Gap, Juicy Couture, Fendi, Dolce & Gab-

bana, Diesel Industry, Chip & Pepper, Versace, Calvin Klein, Abercrombie & Fitch, Coach, Miss Sixty, Route 66 jeans, Baby Dior.

We list and relist these items everyday, sometimes they go through and sometime they do not.

We are certainly continuing to accept these items it just may take several attempts before we can list them and sell them.

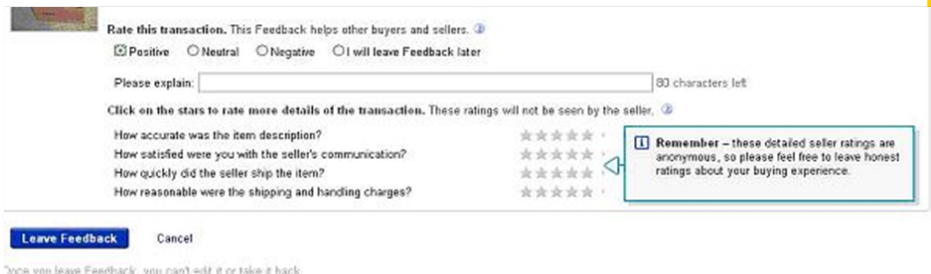
DSRs (Detailed Seller Rating) on eBay

.When a buyer goes to leave feedback on an item they purchased they are now greeted with a Pop Up that says:



Buyers have to click on the above popup before they can even see the new feedback screen. There is the normal Positive, Neutral and Negative with a line to leave a brief comment. (Sellers do not get the above Pop Up and have only one choice for feedback --- Positive - sellers also have a place where we can leave a brief message. However that message MUST be totally positive.) Even if a buyer took weeks to pay we have to say what a great buyer they are and how nice it was doing business with them.

Below the normal feedback is a new thing that only buyers see. eBay calls this DSRs. It means Detailed Seller Rating it looks like this;



The blue box floats as the buyer moves down each star - It says: **Reminder - these detailed seller ratings are anonymous, so please feel free to leave honest ratings**

Click on the stars to rate more details of the transaction. These ratings will not be seen by the seller. ?

- How accurate was the item description? ★★★★★ Very accurate
- How satisfied were you with the seller's communication? ★★★★★ Very satisfied
- How quickly did the seller ship the item? ★★★★★ Very quickly
- How reasonable were the shipping and handling charges? ★★★★★ Very reasonable

How accurate was the item description?

- Very Accurate ★★★★★
- Accurate ★★★★★
- Neither inaccurate or accurate ★★★★★
- Inaccurate ★★★★★
- Very Inaccurate ★★★★★

How satisfied were you with the seller's communication?

- Very Satisfied ★★★★★
- Satisfied ★★★★★
- Neither unsatisfied nor satisfied ★★★★★
- Unsatisfied ★★★★★
- Very unsatisfied ★★★★★

How quickly did the seller ship the item?

- Very quickly ★★★★★
- Quickly ★★★★★
- Neither slowly nor quickly ★★★★★
- Slowly ★★★★★
- Very slowly ★★★★★

How reasonable were the shipping and handling charges?

- Very Reasonable ★★★★★
- Reasonable ★★★★★
- Neither unreasonable nor reasonable ★★★★★
- Unreasonable ★★★★★
- Very unreasonable ★★★★★

When a buyer leaves feedback the above is what they see. Buyers are being encouraged to leave 4 stars - if the "buyer experience" was OK. The description was accurate; they were satisfied with communication; the item arrived quickly and the shipping was reasonable. And they also leave positive feedback and a nice comment. One would think that was pretty good. 4 stars on each category and positive feedback.

Now here is the reality - eBay averages each of the four categories individually. If any **one** of the four categories drops below 4.9 there begins to be penalties.

First is "search standing" if this is lowered your items do not show up when buyers use the default search. To qualify for raised search sellers must have 4.9 or more in Description, Communication and Ship Time and 4.7 or more for shipping and handling.

Next is Power Seller fee discount. There are three possible discounts. First is 20% - all four DSRs must be above 4.9 in the last 30 days this is just not possible at all for almost everyone.

Next is 15% - all four DSRs must be above 4.8 in the last 30 days

Next is 5% - all four DSRs must be above 4.6 in the last 30 days

Next is Power seller - DSRs for Description, Communication and Quick shipping must be 4.9 or higher for the past 12 months. (also 98% positive feedback) Shipping must be more than 4.8 - plus there are certain dollar sales amounts that must be met or we lose Power Seller status.

If **ANY** of the four DSRs slip below 4.5 sellers can get suspended from eBay for 7 days or 30

days. Suspended means every listing a seller has is taken down and sellers are not allowed to sell anything at all during the suspension period. Suspended sellers must apply to be reinstated and it can take several weeks before a seller is reinstated.

So if 5 or 6 buyers leave all 4s on the DSRs - which the buyer is led to believe is pretty good - the seller can get suspended or lose status. If a **single** buyer leaves all 1s or 2s on the DSRs a seller can instantly be suspended.

Some notes - first - How quickly did the seller ship? Buyers think this means how quickly did they receive their item. What this one really means is how quickly did the seller get the item shipped once payment was received. With the new maximum shipping on Media and having to use Media mail these items can take several weeks to arrive and buyers not understanding this has nothing to do with how long it takes to get their item will leave 3s or 4s or worse.

Next is shipping cost - every buyer out there thinks that sellers charge too much for shipping, and it is really difficult to get 5s in this category. I am having to refund any excess shipping charges even if it is only a few cents. I cannot charge for shipping materials - boxes, bubble wrap and so on. Even doing this my shipping rate DSR is always below 4.7---- eBays solution??? Offer free shipping. This does not work, even with free shipping sellers are having a very hard time keeping this DSR above 4.7 - buyers are choosing 4 - reasonable - when the seller ships the item for free!

Both shipping time and cost DSRs get hit on international sales. It take longer and costs more to ship anywhere outside the US. In my

case international sales are about 20% of my gross sales so I cannot afford to just stop selling internationally even though the risk is higher.

Communication - if emails are answered within 12 hours eBay considers this excellent however buyers expect email to be answered in an hour or so or they will lower the communication DSR. This includes international buyers. What that means is at 6AM I look at and answer any email that has come in during the night, email is answered very quickly all day at the store 8AM - 8PM and every night up to midnight emails are answered. This is 7 days a week.

If you buy on eBay PLEASE leave sellers 5 Stars in each category unless they totally messed up an order. If anything is wrong with an order PLEASE let the seller know before leaving feedback and DSRs.

What all this means is that every single order must go absolutely perfectly or else the seller gets penalties. The DSRs like feedback go back 12 months. Of course it is not possible to totally satisfy every single buyer. Every seller on eBay now has a certain amount of apprehension or fear with every package that goes out and every email that comes in.

eBay has gone from a fun place to sell things to a place where a single buyer can cause serious harm to a seller.

I had one recently that threatened to leave negative feedback unless I sent him \$20 because he felt the \$45 he paid was too high. Rather than risk the Negative I sent him the \$20.

eBay has become a minefield - buyers can get away with about anything. One misstep and a seller can have serious consequences.

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**Be sure to check out my new blog site:
www.etechnstuff.com/ebay-drop-off/**

**And my new web site:
www.yardgardenwindmill.com**

I need to expand or extend my business in a completely different direction. I am running out of both ideas and resources to continue on my present course. I am looking for a business partner, investor, advisor, or someone who is looking to share retail, office or business space. I have a showroom area that is not being well utilized which could work well as retail space, office space or business space. My store is fully wired to support networked computers and multi line phone systems for office or sales space. I am in a good location that is easy to find, has good parking and has good visibility. At present the showroom is configured as a class room that seats twelve and 4 modular cubical workstations. This area can be easily reconfigured. The back is configured to optimize online sales with product storage areas, shipping and packing facilities and a photographic area. Please call, write, email or drop by the store if you have an interest or know of anyone that has an interest.

Frequently Asked Questions

With all of the changes on eBay what does this mean.

First of all we will no longer accept items that appear to sell for less than \$10.00. There will also be more items that we will not accept at all.

It may take longer to get paid on sold items. Buyers are taking longer to pay and they can now take longer to return items. We have to make certain buyers have received and accepted their items and there is no chance of a return or charge back before we can pay you for your items.

How much does this change what I get paid for my items?

We no longer can afford to pay you the 70% we have been paying and continue to pay the eBay fees. All clients will be paying their eBay fees on each item. I have increased your part to 72% and reduced my commission to 28%.

We will continue to pay the Pay Pal fees as before.

If an item does not sell should we take it back?

You may do this, however if an item is listed either as an auction or in the store there will be a \$25 fee to remove the item. This has not changed.

We find that if items do not sell during the normal 2 auction cycles most items will sell at some point once they are placed in my eBay Store. Keeping items available in the store is very inexpensive. Only a few cents per month.

Are you doing anything to counteract the eBay changes?

Besides being VERY careful with every buyer and potential buyer and we are actively exploring other venues.

Some of your items have been successfully sold on Amazon and we have begun to put some items on eBid. Come over to eBid and take a look!!! eBid is out of England, has been in business for more than 10 years and is becoming a serious eBay competitor. They are expanding rapidly in the US market. You should start seeing ads for eBid on TV, in print and on on-line. eBid does not have anywhere near the traffic that eBay has but they have been and continue to grow. Go to: www.ebid.net

There are other auction sites that I continue to look at and learn about. Most of these are still very small and unknown. However as more and more sellers become totally fed up with eBay, more and more are leaving and this will help the alternates to eBay grow.

eTech n Stuff opened in April 2007. We are located near exit 126 of Interstate I-75. We sell your items on eBay.

We are able to convert analog media to digital formats. Tapes, reels, records to CD and film, Super 8, mini dv, VHS & VHSC to DVD. Also we can copy CDs & DVDs.

We invite you to stop by to see if we can help you sell your unneeded items on eBay, Amazon, or other online venues.

We can come to your home or business to evaluate items you may want to sell. We also can help organizations and groups with fund raising events.

If you have a business with overstock, closeout or liquidation items give us a call. We may be able to sell your items on line for you.

How are my items doing?

The answer is some items are selling well, however sales across eBay have declined seriously since the changes which began in May. eBay stock has also been declining since the changes. Sellers are reporting for the most part a very slow summer. With the recent stock market drops and the drop in retail sales eBay sales have sharply declined.

Your items are still selling it is just taking a lot longer in many cases to get the items sold and or paid for. The number of buyers that do not pay for items at all has gone sharply up and buyers that are slow (3-6 weeks) to pay has increased 300% since a year ago.

My gross sales for September were down over 49% from a year ago; August was down 37% from a year ago and July was down 26% from a year ago. Sales are down 85% the first two weeks in Oct - but this seems to be due to the stock market decline. (these sales decliners are matching what a number of other sellers are experiencing). A year ago I had less items for sale and this has been factored in. My sales in May - before the eBay changes we almost 200% higher than they were in September. I am hoping the holiday sales increase will begin soon.