

How to Start and Run an **eBay**[®] Consignment Business

Includes sample
ads, posters, flyers,
inventory forms,
and contracts

> **Make Real Money Selling Other People's Stuff!**

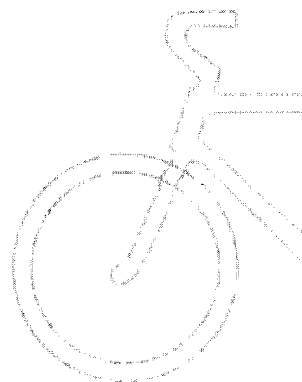
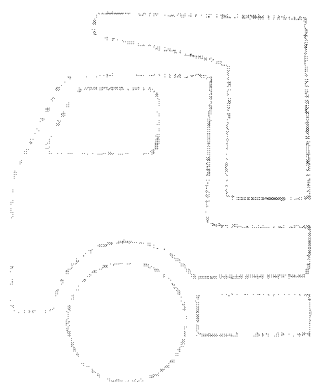
- Run a profitable eBay consignment business at home or from a drop-off store
- Sell everything from closeout goods to estate valuables
- Become an eBay Trading Assistant and learn how to get eBay to promote your business

Skip McGrath

eBay PowerSeller, Trading Assistant, and bestselling author

How to Start and Run an eBay[®] Consignment Business

Skip McGrath



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How to Start and Run an eBay® Consignment Business

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Introduction

Selling other people's goods on eBay on consignment is the fastest-growing segment of the online auction industry. Finding products to sell is one of the most difficult challenges the everyday eBay seller faces. This book solves that problem. If you master the techniques of marketing and running this business, you will have an endless supply of merchandise to sell with no risk and very little investment on your part.

I sold my first item on consignment in 2002. A neighbor approached me who had a large collection of cookie jars. I knew that collecting cookie jars was hot, but I didn't really know anything about them. I started by listing two of the cookie jars at \$1.00 no-reserve. One of them, a Planter's Peanut cookie jar, sold for over \$200 and the other one (I can't remember the style) sold for over \$90. Within four weeks I sold the rest of the cookie jars at prices ranging from \$60 to over \$170 each. My commission was 20 percent. (I now charge 30 percent.)

I was instantly hooked on eBay consignment selling. It was amazing. All I had to do was put out the word to my friends and neighbors that I would sell their stuff for them on eBay, and I had a virtually unlimited supply of goods to sell.

Now, not everything sells on eBay. I know; I have a garage full of stuff I purchased that I later learned couldn't sell. But this deal was perfect—if something didn't sell, I simply returned it to the person who gave it to me, or if they didn't want it back, I donated it to the local thrift shop and took a tax deduction for my trouble.

I have now been selling on consignment for three years, during which time I have sold over 2,000 items for other people. I would like to tell you it's easy, but it's not. Like anything you do that can earn large amounts of money, there is some work involved and techniques you have to learn, but it's not THAT hard. *How to Start and Run an eBay Consignment Business* contains all of the tips, tricks, and techniques I have used to start, run, and grow a successful eBay consignment business. I hope you will enjoy the book, and I hope to see you selling on eBay within a few weeks.

One of the things I hate about reading books about web sites and online auctions is that they are full of URL links to other web sites containing resources, tools, and additional information. So, I have created a special page on my web site just for readers of this book that contains all of the links and resources mentioned in the book, plus links to my newsletter archives, free articles, and tons of additional free resources. Just go to www.skipmcgrath.com/consignment to access the page.

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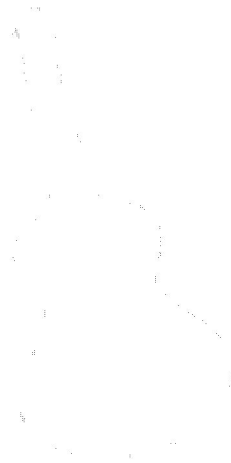
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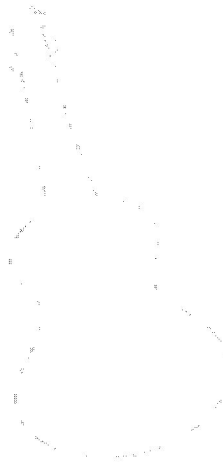
Part I

Setting Up Your Consignment Business



Chapter 1

Why Start a Consignment Business on eBay?



When I told my friends I was going to write this book, everyone said, “Why would someone pay you to sell their goods on eBay, if they could do it themselves?” Good question. Well, it turns out there are a lot of reasons.

For every successful eBay seller, there are a lot of people who can’t figure out how to sell effectively or profitably on eBay. And, believe it or not, there are still a lot of people who either do not believe eBay really works, are afraid to try it, and/or are computer illiterate.

There are also plenty of people in this world who just don’t have the time.

If you think there isn’t a market for selling other people’s goods on eBay, consider this: In 2002 eBay launched the Trading Assistants Program. A Trading Assistant is an eBay seller who volunteers to sell products for eBay members who don’t know how or don’t want to sell themselves. If you go to the eBay home page and click the Services tab, you will see a link to Trading Assistants.

By 2005 there were 80,000 Trading Assistants helping others sell on eBay. Here is what eBay says about the program:

“To become a Trading Assistant, you need to have sold at least one item in the last 30 days, have a feedback rating of 50 or higher, and have greater than 97 percent of your feedback as positive. You also must be in good standing with eBay.

“Including yourself in our Trading Assistants Program directory is a lot like running a classified ad for your services. Trading Assistants are not employees or independent contractors of eBay. Nor do we endorse or approve them. Each Trading Assistant runs his or her own independent business free from any involvement by eBay.”

What Are the Benefits of Becoming a Trading Assistant?

When you join the Trading Assistants directory (see Figure 1-1), you tell the world that you are willing to sell for others. Trading Assistants charge fees or commissions for their services. Selling as a Trading Assistant allows you to leverage your selling expertise without having to find products yourself; clients provide the items, and you are compensated for your efforts on terms that you decide. Many sellers already do this as a way of making money on eBay, and profit margins can be significant for higher-priced items.

Basically, eBay has already given any eBay seller who qualifies an opportunity to start a consignment business. When an eBay member is looking for a Trading Assistant, they are directed to a directory page where they can type in their location (ZIP code) and search for an assistant in their own hometown.