



eBay - Online Auctions.

Can it really work?

eBay was the brainchild of a Pierre Omidyar of San Jose, created in his living room back in September 1995. From this small idea eBay has flourished into a large multinational business, one of the few dot com successes of the era.

eBay moved from the collectable market to widen its scope to cover upscale markets now even auctioning real estate. In 1998, Pierra and co-founder Jeff Skoll hired staff in business and branding to strengthen the team. eBay forged deals with large multinationals like Sun to provide a way of selling end of line equipment, Sun has sold over \$10 million worth of hardware sometimes listing upwards of 100 items a day! eBay even has a deal with the world renowned auction house Sothebys.

eBay's vision of a company purely connecting people and not selling, was born and with in excess of a million users they seem to have got something right.

Why is eBay successful? The business plan involves eBay making money out of customers listing items and then taking a traditional commission at the end of a successful transaction. They also remove some of the annoying features of a tradition auction house. eBay offers an auction for almost anything, open 24 /7 (except for maintenance) where you can view at your leisure the item description and photo. This anywhere anytime auction has to be one of the key advantages over the traditional auctions. The world can sit in and bid on your auction, no longer do you have to have specialist auctions because items get lost in general sales, you can search for and let eBay notify you as soon as items of interest to you become listed.

After signing up with eBay you are able to start selling and buying, I recommend lurking and watching for a while until you are used to the way the system works. You are entering a different online

community with its quirks and customs, it is like UseNet, you have to lurk to see how a particular forum works before joining in, it is only polite. For the first month, eBay brandish you with an icon of a pair of sunglasses, affectionately named shades within the community.

Making your first purchase is always a big step, the biggest piece of advice I can give is to read everything, and then read again. You need to check that what you are buying is what you think it is, initial headings can be deceptive. Sellers pack a lot of information into their listing, you will find details of postal costs, extra fees for using online purchase methods, extras for insurance, and the list goes on. Other sellers will not sell to people with 'shades' or others with zero and less than zero feedback. Other sellers require you to email them before bidding, it's a lot to take in but worth it! If in doubt re-read the listing and if you are still in doubt email the seller.

When you a ready to place a bid, I seriously recommend you set yourself a higher limit for your purchase and you don't over step it. It may also be worth you checking other outlets to see if the item is such a bargain. I have often seen people pay more money for things available much cheaper, brand new in the shops.

You have two bidding options, you can use Proxy Bidding (eBay places bids on your behalf up to your limit) or you can wait and bid at the last moment. The first option is recommended, as you are guaranteed to offer the maximum you are prepared to pay and you don't have to wait up until 2am in the morning for that elusive hardware. The other option is to wait until a few minutes before the auction ends to bid. This method is one being increasing adopted by bidders to avoid the price being hiked by others. It is very risky for a number of reasons, someone could come in with a bid of a slightly higher amount and you may not have time to re-bid. Also computers and the internet are not perfect, imagine your annoyance when the item you have waited ten days for is lost because of a Fresco Type 5 error!

Once you have won the auction you have to contact the seller within a few days, or if they have clearly stated the postage and online purchasing costs, you

can purchase on line and just await delivery of your auction item.

When you have received the item it is good practise to leave feedback for the seller. Unless you have previously contacted the seller with any problems, I would strongly recommend you do not leave neutral or negative feedback.

Now congratulate yourself on your first eBay purchase. You should also receive some positive feedback in return from the seller.

You are now ready to search for more bargains, or perhaps selling. That is the cue for part II of this article - Selling Stuff on eBay.

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