

eBay Success - How to Price Your Items

Many new sellers don't realize how important pricing is when it comes to eBay auctions. Many don't even realize that 'pricing' needs to be done. eBay is an auction site after all! But eBay auctions are not quite the same as the auctions you attend in the offline world. In fact, quite a bit of work goes into determining and setting prices.

Essentially, there are only three prices that can be set for an eBay auction: the 'buy it now' price, the reserve price, and the starting bid price. Of these three, the starting bid price is the only one that is required for an eBay auction. The reserve price and the 'buy it now' price are optional. The starting bid price is fairly simple - never set it higher than \$50 or so - no matter what your item is really worth. This low opening price will get bidders to your auction.

Setting low starting bid prices creates the need for a reserve price. A reserve price is the absolute lowest price that you want to get for your item. You may sell the item below the reserve price, but you will not be required to. In other words, if you set your reserve price at \$100, and your highest bid is only \$50, you do not have to sell the item to the highest bidder. You can close the auction without any negative feedback or repercussions. Set your reserve price at the absolute lowest price you are willing to sell your item for. Keep what the item is worth, as well as what it cost you in mind.

The 'buy it now' option will allow you to set a price, and buyers can buy the item immediately, without bidding, for that set price. This option can be used for any type of item, and it should be set to match your reserve, give or take a few dollars. This option is great if you have multiple identical items to sell.

Shipping has a price, and potential buyers take this into consideration when they are looking at an auction. If you can see your way clear to offer free

shipping, you will find that people are placing more bids. Make sure that your potential buyers realize that you are offering free shipping!

Before setting any prices, you need to determine what the item is really worth. The value of the item in different markets might be quite high. However, you are selling on eBay, and it is a different world altogether! Find out the price that similar items sold for on eBay before setting any prices. If it is a collectable, or a high ticket item, have the item evaluated to ensure that you aren't going to lose money!

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