The Secrets To Making Money With Cell Phones On eBay

By Kinghuman



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Notice To Readers Outside The US

The material contained within this report is intended for residents of the United States. While the business model described in this report can be put into action in virtually any part of the globe, important details such as advertising, pricing, and shipping will vary by location. It is the responsibility of the individual to consult a local professional before acting upon any information contained within this report. The author assumes no responsibility for any errors or monetary losses that arise from regional discrepancies.

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1. Introduction

As of 2011, there are **5.3 BILLION** subscribers to cellular phone services. In the United States alone nearly 11 million cellular phones are bought and sold every single month. Additionally, a new federal study says more than a quarter of homes in the United States now have only a wireless phone, and no "landline." That percentage doubled in three years.

The Internet has helped facilitate the growth of cellular phones and as of November 2007 cell phones were one of the top 20 most searched for items on the Internet with approximately 4.2 million searches per month.

Due to massive consumer demand and fierce competition, new feature laden cell phone models are introduced to the public practically weekly. This has led the average consumer to replace their cell phones fairly regularly in order to possess the latest technology or to capitalize upon special offers which frequently involve a free or discounted cell phone.

Because of frequent replacement and upgrading, a typical cell phone user will have multiple phones, although they will generally only have service for one. This means that of the 170 million people subscribed to cellular phone service, most will have several extra or 'junk' phones somewhere in their home. Often times old cell phones will be kept by the user because they are either not sure what to do with them and/or regard them as having very little value because they paid nothing for them.

In reality the vast majority of cell phones manufactured in the past few years have some value and an eager market to purchase them. I discovered this purely by accident several years ago.

I found an old Nokia phone in a drawer in my bedroom. It was in fairly good condition but had been out of service for more than a year and a half. I was broke at the time and needed some cash. I figured that for \$1.30 worth of listing fees I could list the phone on Ebay and maybe make an extra few bucks. A few days later I was shocked to discover that my old cell phone in only fair condition and with no box and *none* of the original materials had 9 bids and had sold for \$46. Not to shabby for something I believed to have almost no value.

Being the enterprising young man that I am I realized that used cell phones and Ebay presented a golden opportunity.

Since that time, the cell phone market on Ebay has grown exponentially with more than 100,000 cell phones listed for sale every single month.

Why Ebay Is The Perfect Business Solution

I have been a member of the Ebay community since eBay first started up. In those days eBay was totally free. Anyway, a friend of mine at the time had told me that I could find incredible deals on Ebay and that membership was absolutely free. Seeing no reason not to, I signed up for a membership and have been practically in love with Ebay ever since.

If you are a 'budget conscious' entrepreneur, Ebay is quite possibly the perfect business solution. Think about it:

- 1. Ultra-low startup costs- You don't have to spend a small fortune on web design and marketing costs and hope that you start making money.
- 2. Immediate access to millions of buyers- With an Ebay auction you can build it and they will come. With a website they may or may not come depending upon how much money and effort you have devoted to getting traffic. On Ebay the traffic is already there with money in hand.
- 3. No technical experience required- Running a successful Ebay business does not require knowledge of scripting language or HTML nor does it require an advanced understanding of Internet Marketing.
- 4. Easy Market Research- No need to spend hundreds of dollars on market research. With Ebay, all of the market research you could ever want is available for just \$10 a month and it doesn't require an MBA to make sense of.
- 5. No need for big inventory- You can list merchandise as you acquire it and easily remove listings as items are sold. This means you don't have to buy a bunch of wholesale merchandise and hope you sell it all. You can therefore start small and grow big.
- 6. Most people still don't know how to use Ebay- Although you can become an Ebay expert in just a few months, most people still don't

know how to use Ebay. This means that merely by learning how to buy and sell on Ebay you have a marketable skill and will be able to spot opportunities you may not otherwise have been able to.

Just about anyone with half a brain and a couple of dollars in their pocket can start an Ebay business.

Even if you've never sold a thing in your life you can quickly master this business and make big profits. The really, really great news is that most people don't know the first thing about Ebay and correspondingly don't realize there are thousands of people willing pay top dollar for their old cell phone. This means that the growth potential is huge and getting started with this business now could spell *enormous* profits in the future.

2. Getting Started With Ebay

As we've already discussed, Ebay is a really fantastic place to buy and sell. One of the things that most attracts buyers to Ebay's listings is the use of feedback. A sellers feedback tells the whole world what kind of seller is offering the merchandise for sale. If the seller is inexperienced or unscrupulous, a quick look at their feedback will let you know. Likewise, if the seller is honest and reliable you will know this too.

This means that a seller with a lot of good positive feedback will be rewarded with increased sales and a seller with little or poor feedback will struggle to make few if any sales. The feedback rating system makes Ebay a very unique and very safe place to do business. With little or poor feedback, an Ebay seller is doomed to very sluggish sales.

This is why before you start selling anything on Ebay you <u>must</u> have a good feedback record. Fortunately, building a good feedback record is both quick and painless and within just a few days of opening your account you can appear like a seasoned and trusted seller.

Building Your Feedback In A Flash

The quickest and most cost effective way to build your feedback is to purchase ultra-low priced information products. Of the more than thirty thousand info products listed for sale on Ebay at any given time, I'd estimate that about half are priced less than \$1.

In order to be perceived as a trusted and reliable seller you need to have *at least* 50 positive feedbacks and an overall score of at least 98%.

So here's what you do....

- 1. After you have successfully created your account go to the Ebay home page.
- 2. Once there, click on the 'Everything Else' category located in the left hand margin.
- 3. On the next page click on 'Information Products' in the center of the page
- 4. A listing of information products will then appear. Click on the 'Sort by:' sub-menu located in the top right of the listings and then click on the "Price + Shipping: Lowest First"
- 5. You will then have a list of thousands of very cheaply priced information products. Buy as many of these as possible, at least 50. Be sure to check that each one is from a different seller otherwise your feedback score will not increase. Once you have purchased the item, leave feedback immediately and send a quick message asking the seller to do the same.

And thats really all there is to it.

Within a few days you should have plenty of good feedback. The fact that your feedback is mostly derived from cheap info products won't matter as much you think as most Ebayers are more concerned with the number of feedback and overall score than with the actual items themselves.

Once you're feedback is established you'll be ready to start listing items for sale. In the next section we're going to look at how to find and purchase used cell phones in your area and make substantial profits selling them on Ebay.



Online Autopilot Income Machine

3. Cell Phone Purchase And Acquisition

Before you can start selling used cell phones on Ebay you need to actually have used cell phones to sell. In order to obtain these phones you will need to place advertisements that are aimed at your target demographic, namely the two-thirds of the adult population who are current cell phone users.

Because cell phones are so widely used, you can advertise in local classifieds and gain plenty of exposure. This is great for budget conscious entrepreneurs because it means you can get a lot for a little.

The first place you are going to want to advertise is of course your local newspaper. Advertising rates for local newspaper ads will by vary based on the number of subscribers. In my local newspaper, which has approximately 1.2 million subscribers, the cost for placing an no frills, 7 line Sunday classified advertisement is \$48.

I'm hardly an expert on newspaper classified advertising but I suspect that if you are in a large metropolitan area you can expect to pay somewhere between \$30-60 for a similar such advertisement. A local classified as is well worth the small investment and will likely yield many leads.

Here are some sample classified advertisements that have worked well for me:

I Buy Old Cell Phones
Will Pay Up To \$150
Pick Up Available
Must Be In Working Condition!

Contact (xxx) xxx-xxxx
Or name@youremail.com
For More Information

Need Cash In A Flash?
I'll Pay You Up To \$150
For Your Old Cell Phone!
Pick Up Available!
Must Be In Working Condition!
Contact (xxx) xxx-xxxx
Or name@youremail.com
For More Information

Note: Many people you encounter will not be able to tell you what the model number of their phone is because they don't know where on the phone the model number is located. The model number is almost always located beneath the battery. If you are using an automated voice recording or an autoresponder be sure to include detailed instructions that explain how to determine the phones model number. Doing so will save you considerable time in the future. If you don't have great conversational skills or just generally don't like to talk to strange people on the phone, you do not have to provide your phone number in the classified ad. Because Internet usage is so pervasive, a simple email address will suffice. However, many people still do not have Internet access and offering only your email address will limit the number of people who contact you.

Other Places To Advertise

College Newspapers

College students are notorious for needing money and the vast majority of college students are subscribed to cellular phone services. This means that the average college student has an old cell phone lying around that they would be delighted to get rid of in exchange for a little bit of cash.

Most colleges offer a free, student run newspaper. College newspapers typically allow local businesses to pay for advertising for a fraction of what it would cost to advertise in a local newspaper. You can therefore reach a demographic known to be both regular cell pone users and hard up for money.

Facebook

Facebook is extraordinarily popular amongst young adults, particularly college students. As we already know, college students typically need money and are also regular cell phone users. Facebook offers local advertising at very reasonable prices.

To learn more about the advertising programs of Facebook, check out the link below:

http://www.facebook.com/ads/

Craigs List

This should be obvious to everyone but I have to include it here to make sure you have all the resources you need to make your business a success.

Flyers

If you happen to be on a very tiny budget and don't mind doing some legwork, attention getting flyers distributed in your area can be a great way to the word out about your business. Many churches, colleges, grocery stores, public parks, and civic organizations allow free advertising in the form of flyers. If you don't have a printer, you can purchase 100 color flyers for \$10-\$15 at your local business supply store.

Before you place a flyer anywhere <u>make sure</u> you are allowed to first. Places that do allow you to advertise your flyer generally require that you submit your flyer for approval before posting. If you don't have permission to post your flyer don't waste your time posting it anyway as it will just be torn down immediately (I know this from experience).

So long as you ask permission first and your flyer does not contain obscene language, hate speech, or pornography you will likely get approved.

Pricing

In order to make any serious money with Ebay you need to be able to offer a price that is fair and will also allow you to make decent sized profit when you resell the phone on Ebay. As I said in the first chapter, one of the things that makes Ebay a really great business solution is the ability to perform up to date market research in a flash and at very little cost.

With <u>Ebay Marketplace Research</u> you can determine the average sold price of just about any cell phone as well as tons of other important selling data. Suppose someone has a Blackberry 8100 Pearl in good overall condition. You would then open up your Ebay Marketplace Research tool and type in 'blackberry 8100 pearl'. In about 15 seconds you would discover the following information:

Avg. Sold Price: \$189.29

Sold Price Range: \$0.01-\$2,014.00 Avg. Sold Buy It Now Price: \$206.25

Sold Buy It Now Price Range: \$0.99-\$425.00

Avg. Start Price: \$148.04

Start Price Range: \$0.01-\$450.00

Avg. Shipping Cost: \$13.37

Shipping Cost Range: \$0.00-\$159.99

Last Sold Price: \$219.95

Last Sold Date and Time: Dec-03 18:16 PST

Completed Items: 18,883

Sold Items: 10,456 Avg. Bids per Item: 8.66

According to this data, the average sold price of this model phone over the last two weeks was \$189.29. I can also see what the average shipping cost was, how many average bids there were, what the average buy it now price was, and the average start price.

Also, by dividing the sold items by the completed items I can determine the Sell Thru Rate (STR). In this case the STR is 55.4%, which is well above average. The above average STR and Avg. Bids per Item tell me that this phone is going to be fairly easy to sell. Therefore, assuming the phone is good working condition, I would offer to purchase the phone for \$90-\$100, or about half the average sold price.

If you were able to sell the phone at the average sold price of \$189.29 you would realize a profit of 190%-210%.

Guidelines For Determining A Fair Price

The first thing you need to determine is the popularity of the phone. The STR and Average bids per item will give you can idea of how likely you are to sell the phone and make a profit.

Most phones you encounter will have STR's in the 25%-35% range and will have an average worth of \$40-\$50. I generally don't hassle with these phones as I can only make a profit of perhaps \$25. Basically you're looking for phones that offer an STR of at least 40% and a profit of at least \$50. I like to do this because it means I have to deal with less inventory, less overall work, and can make a good sized profit at minimal risk.

In other words, it would probably take me close to 3 sales of an average phone to make the same \$50. This means I have to do 3 times as much work to make almost the same amount of money.

Note: Phones that you don't purchase are not necessarily worthless to you. Later on in this report I will show you how you can still profit from phones that you don't even purchase! I like to offer a price that will allow me to make a handsome profit and will also be fair to the owner. Assuming the phone is in good condition and is a reasonably good seller, I will offer about 40%-45% of what I think I can ultimately sell the phone for. You can offer more or less, but I am content to simply double my money.

Pick Up or Drop Off

Because your business will be local, you need to decide whether or not cell phones will have to be brought directly to you or whether you will offer a pick up service or both. Offering a pick up service will likely result in more business for you but at the same time means much more work for you.

The best way to buy phones is to schedule a time and place to meet with your potential sources. I would make a meet place at a local restaurant once a week and let the people interested in selling their phones know that I would be there from 1PM to 3PM on that given day.

This keeps me from having to drive all over town in a never ending chase of products (phones). I also try to pick a restaurant at a major mall. This way the people interested in selling their phones are more likely to show up. They are very willing to combine a trip to the mall with a short stop into the mall restaurant, especially if it gets them some more money to spend in the mall.

In contrast, establishing a drop off point means the phones come to you and you don't have to spend hours driving from location to location. Your home is of course the easiest place to establish as a drop off point, but your home is not the most professional place in the world. Not to mention that you may not be comfortable with strangers coming in and out of your home on a daily basis.

For a small fee, most office buildings will allow you to rent a small office once or twice a week. These offices are typically rented out to traveling business people but they will work perfectly well for your needs. In order to set up a small office as a drop off point you will need a computer and an Internet connection so you can price phones on the spot.

Also, look into making pre-paid mailers that clients can use to mail their phones to you with. Some of the bigger companies use this method to get products sent to them. The mailer includes places for all information to be supplied by the potential seller of the phone (ie: phone number & address).

After you have looked at the phone you will decide what at offer the seller. If the seller is not willing to accept the amount of your offer for the phone, you will

have to return the phone via another mailer.

Additional Note: Using your home as a drop off point can in some areas be a violation of zoning laws and homeowner associations rules. Consult your local city officials and homeowners association members before designating your home as drop off location.

Phone Condition

You must make sure that the phone is in working condition and is at least reasonable in appearance. Reasonable in appearance means that the phone is not severely scratched or dented and has no water damage. If the phone is in working condition but is badly damaged then the phone is probably not worth your time. Later on we'll discuss what to do with phones that you yourself may not be interested in purchasing.

Unlocking Phones For Maximum Profit!

Most cellular phones are originally purchased by major cell phone carriers and then locked into their service before being sold to the consumer. Locking a cell phone into a particular network prevents the consumer from transferring their phone to another network.

The idea behind it is that if a person can not take their cell phone with them to another carrier, they will then endure the hassle of their current carrier and not switch to another service.

I have the funny feeling that it works pretty well.

However, it is possible to unlock a phone from the designated carrier provided you have a special unlock code. Once the code is entered the phone will then be unlocked from the original service provider and can then be used with any other carrier.

An unlocked phone is typically worth more than a locked phone and will also sell both better and faster. The increase in the phones value by adding a simple unlock code can sometimes be dramatic.

For example, a locked Nokia 6111 sells for an average of \$41.97. In contrast, the unlocked version of this same phone sells for an average of \$113.96. Merely by unlocking this phone you could potentially increase the sale price by 269%! Not too shabby.

The special codes needed to unlock just about any cell phone can actually be purchased very inexpensively on Ebay. The code to unlock the Nokia 6111 can

currently be purchased on Ebay for a whopping \$3.25 and can also be used on several other Nokia models. Best of all, once you've purchased a particular code you never need to purchase it again. The code for the Nokia 6111 could be used on any future Nokia 6111 models you may happen to come across.

To find an unlock code on Ebay simply enter the phone make and model plus the words 'unlock code.' You will almost always find at least a few dozen codes for sale. Before you purchase an unlock code be sure to browse through all of the listings first. You should never have to pay more than \$10 for an unlock code. Many times when you look for unlock codes you will come across sellers asking \$40, \$50, or \$60 for an unlock code. If you look further down the page in the Ebay stores section you will usually see this *exact* same code selling for \$3 or \$4. I can assure you that the \$3 code works just as effectively as the one selling for \$60. In fact, many times the codes are exactly the same.

When you purchase an unlock code, it will likely be good on more than one phone model. In fact, most unlock codes you purchase will actually be good on quite a few different phone models. The unlock code listed for the Nokia 6111, for example, was actually a software program that could generate the unlock code for more than 100 different phone models including 10 different brands. Once you actually have purchased an unlock code be sure to store that code in a folder somewhere on your computer labeled by the phone brand. Before long you will likely have most of the unlock codes you need and keeping them organized on your computer will save you considerable money in the future.



4. Creating Your Auction Listings

Auction Title

I can't stress enough how important it is to have an eye catching headline for your auction. There are indeed millions of people browsing the listings on Ebay on a daily basis but there are also thousands of sellers competing for each visitors attention That means that your auction title needs to contain relevant and eye catching keywords.

You do not necessarily have to purchase the add ons like bold, highlight, and border but you must always include a picture of the phone. Be sure to use a picture of the phone you have actually taken and not one of those stock images that everyone uses.

Tips for good auction titles....

- 1. Do not use all capital letters- I know it might seem that an auction title written in all capital letters would be eye catching but in reality it just makes you look unprofessional. Instead, capitalize the first letter of every word in your auction title.
- 2. Do not use the word 'used'- The word used has very negative connotations. This is why used cars being sold by dealerships are no longer referred to as used but as 'pre-owned.' The two words mean exactly the same thing but one sounds much better than the other. In your auction title, use words like 'pre-owned,' 'nearly new,' 'very good,' etc.
- **3. Offer a few benefits** If you've unlocked the phone, state that in the auction title. Additionally, if the phone has special features like Internet access, bluetooth enabled, PDA functionality, etc. be sure to mention those in the sub headline.
- **4. Proofread!** I can't stress this one enough. If you're not getting a lot of traffic to your auctions there's a real good chance it's because you misspelled a keyword in your auction title. Misspelled words or misprints can affect your sales and traffic dramatically. Also be sure that you have described everything in your auction correctly and accurately.

- **5. Don't go crazy with symbols-** Using symbols like @, #, *, and ! excessively in your title will not necessarily increase your traffic. I suggest just sticking with one or two exclamation points.
- 6. Don't List things you're not selling- Listing items in your title that you are not actually selling may get you more traffic but it is also considered spam and can easily get you in trouble with Ebay. So if you were writing the title for the Nokia 6111 you would write "Nokia 6111" not "Nokia 6111, 6157, 6113..." Listing the different phone models is considered spam.
- 6. Don't use hyperbole like "Must See" or "Amazing" These words are tempting to use but they take up valuable space in your headline and they don't add any value to a search. Nobody on eBay will actually type in the words "Must See" into their search, so never use those type of terms.

Here is an example of a good auction title:

Preowned Nokia 6111 In Very Good Condition, Unlocked! Bluetooth and Web enabled. Works With ANY Service Provider.

Auction Details

I suggest avoiding listing your phones as straight up auctions as they can be tricky and the ultimate outcome is difficult to predict. You can set up a reserve on your auctions but setting a reserve price tends to discourage bidding altogether which ultimately leads to your reserve not being met.

One solution is to create fake Ebay accounts and then using these phony accounts to place bids on your items. The only problem is that using phony accounts to place bids on your items is called **Schill Bidding** and can easily get your Ebay account suspended!

Basically you should avoid using auctions altogether. Instead, use a fixed price listing and use your Ebay Marketplace Research tool to determine the buy it now price. The research tool will tell you what the average buy it now price was but you shouldn't use this figure as your buy it now price.

You should set your buy it now price as the rounded up version of the average sold price. In the case of the unlocked Nokia 6111, you would list the buy it now price not as \$113.96 but as \$115. You should also enable the "Make Offer" feature so that you can receive counteroffers during your fixed price listing. If the phone doesn't sell you can then accept one of these counteroffers (assuming it's reasonable) rather than relisting and hoping it sells.

Duration

You can choose from 1, 3, 5, 7, and 10 day listings. I'm convinced that the most effective listing duration is 5 days because, as Goldilocks said "it's just right." 1 and 3 days auctions end too quickly and you therefore won't get quite as much as traffic. 7 and 10 day auctions will certainly bring more traffic but most of this traffic comes in after the first few days. Therefore I prefer to use the 5 day listing.

At the same time, if a phone has an STR greater than 50% definitely try using a 1 or 3 day listing. Your auction fees should not amount to more than a few dollars anyway so it's okay to experiment.

Shipping

If you live in the US and are shipping to a location also located within the US the most cost effective shipping solution is USPS Priority Mail. For an average cell phone it will cost you about \$5-\$8 to ship anywhere in the US and is usually delivered within 2-4 days. You'll save money and make your customers happy at the same time!

Ebay and USPS are partnered together and you can request free priority shipping boxes from Ebay that normally retail for \$2-\$3 at the post office. Most USPS locations also offer automated postal service where you simply hit a few buttons, swipe your credit card, print out a label, place the label on the box, and send the box to the nearby receptacle.

You can do all of this in about 3 minutes and because post offices are generally open 24/7 you can ship your package out any time you like. If you've ever waited in line at the post office you probably know how god awful and time consuming the wait can be. The new automated postal centers eliminate this completely.

The other great thing about USPS is that as your volume grows you can arrange to have your packages picked up directly from your home. You can then pay for and print your postage directly from your home.

When shipping Ebay items always be sure to pay for a tracking number. Purchasing a tracking number will save you have a heap of trouble if the package is not received within the 2-4 day shipping period. If customers don't receive their package within a reasonable time and you can not provide them with a tracking number you'll likely end up with negative feedback. Remember, just one negative feedback can adversely affect your sales.

International Shipping

In the shipping section of the Ebay listing form you are permitted to select domestic, worldwide, or regional shipping options. If you select the 'Worldwide' shipping option your auction will be open to buyers anywhere in the world. Correspondingly, you can chose to ship your items only to certain regions like South America, Canada, Australia, etc.

Offering international shipping is great because it exposes your auction to many more interested buyers which of course leads to increased sales. The downside is that international shipping is a HUGE pain in the butt. Customs rules and procedures vary by country to country and depending on where you are shipping you could end up filling out a heap of papers. Once the package is actually shipped you then run the risk of having the package abducted by customs and held for an indefinite period of time.

Customs officials are permitted to open and inspect packages if they feel the need and are not required to inform you if they do so. I've actually had this happen before and it is a terrible inconvenience. It took almost **two** extra weeks for the package to arrive at its location.

International shipping also opens your auction to your con artists and scammers who love to prey on unsuspecting Ebay sellers. Ebay has gotten much better at dealing with and preventing scams over the years but it is still entirely possible to get scammed on Ebay. I would know, I have been scammed on Ebay more than once both as a buyer and a seller and every time the culprit was outside of the US.

The bottom line is that international shipping may seem like an attractive option but shipping to buyers outside of the US has, in my experience, brought much more frustration than it is worth.

Basic Auction Description

- 1. Introduce the cell phone make and model
- 2. Give a brief description- No more than 2 sentences. Describe the overall condition and state that the phone is unlocked (explain what unlocked means).
- 3. Insert pictures of the phone- Visitors to your auction will want to see pictures of the phone right away. Be sure to take GREAT looking pictures! Learn some photoshop skills that will allow you to enhance your images.
 I also suggest you look at my Youtube tutorials on how to make a great eBay

ad. **CLICK HERE!!!**

Once your pictures are uploaded you can then copy and paste your pictures into your auction description. If you simply insert your pictures into the auction they will likely show up as red X's and nobody likes those. As with your auction description, make sure that the pictures you are using were taken by you and are not stock images.

- **4. Display some positive feedback-** Insert some of the positive feedback you've received in the past directly into your auction. This will reinforce the idea that you are an honest and trusted seller.
- 5. Contents Inicluded- Explain what comes with the phone. Does the phone have the original box or manual? Does it come with any accessories like a car charger or phone cover or an extra battery? If so, be sure to list these items. If the phone does not come with a charger of any kind be sure to list that the phone <u>does</u> come with a charger. Once the auction is complete you can purchase a charger on Ebay very inexpensively and ship it out separately.
- **6. Summary of Features** List every imaginable feature that the phone comes with. Features will include things like number of phone book entries, number of stored SMS messages, pre-loaded games, camera capabilities, FM stereo radio, etc.
- **7. Specifications** The specifications include things like the phone weight, modes, dimensions, battery life, battery type, battery type, memory, etc.
- **8. Method of Payment** What kind of payments will you be accepting? I suggest only using Paypal to handle your payments as this will make things much easier but if you want to accept forms of payment like checks and money orders be sure to state this.
- **9. Shipping** Explain the method and cost of shipping. Be sure to explain when the phone will be shipped and when the buyer can expect to receive it. Explain that a tracking number will be provided once the item has been shipped and that insurance is available.
- 10.Return Policy- You must offer some kind of return policy to your buyers. I suggest offering a 7 day return policy. You can offer more if you like but 7 days is a pretty good length. Don't force the buyer cover the cost of the reshipping. Refund all of the original price including the cost to reship the item. Believe me, it's worth the extra money to buy someones cooperation.

In your auction descriptions you should by all means use things like bold, italics, different font sizes and colors. A simple black and white auction just isn't very appealing or professional looking. Be creative and see what you come up with. Don't go crazy with colors though. Your should never use more than 3 colors in

your description. If you use more colors than this it can be difficult for a person to read and they will then exit your auction never to return. Consider using a software like Frontpage to create your auctions. Frontpage allows you to do much more with your auction than the basic tools Ebay provides you with. Once you've created your auction listing with front page all you then have to do is copy and paste the HTML into the description and you're ready to go.



5. Building Your Business

Building a mailing list composed of your buyers is always a good idea in just about any business. A mailing list gives you the ability to reconnect with your buyers whenever you have an offer they might be interested in. It is much, much easier to sell something to someone you've already sold to than it is to sell to someone completely new.

You absolutely can and should build a mailing list from your Ebay buyers. It will take awhile for your list to grow but once it has you will be able to update your buyers about new inventory, announce special offers, and promote related

products on an affiliate basis. A properly maintained mailing can add substantial profits to your bottom line.

Although Ebay does give you the tools to build a store newsletter, Ebay does not currently allow give you the tools to automatically build a list of buyers. In order to build your list you're going to need to subscribe to an <u>autoresponder</u> service like <u>Aweber</u>.

Aweber is only \$20 a month, is super easy to use, and can easily be setup to build a list of your Ebay buyers who pay using paypal.

Here's how to build a mailing list using Ebay and Aweber:

- 1. Open up your Aweber account and set up a new list for the cell phones you are selling on Ebay. For example, ebay-product@aweber.com and add this to your paypal emails you recieve payents from.
- 2. Go back to Aweber and click on leads then display leads. Find the confirmation email from paypal, click the email title and scroll down until you see the email from paypal which will say "follow this link to confirm your new paypal payments address".
- 3. Copy and paste the link paypal gave you and remove any characters that are not supposed to be in it, to see how the link should look try confirming another email address for example new-email@yahoo.com. Your link should look the same as any other paypal confirmation link but with different numbers.
- 4. Copy and paste the corrected link into your browser and confirm the email.
- 5. Go back to Aweber and set your new list to be activated by paypal payments click on list settings, then email parser, and activate paypal orders by ticking the box.
- 6. Now simply put that email (example ebay-product@aweber.com) as the one you receive payments for your ebay product, put in your auction payment details that your customers will need to confirm there email before being sent an instant download.

If you follow these instructions, all your buyers who buy using their paypal accounts will be automatically added to your list and will also be sent a thank you email. Thank you emails are very professional and all you really need to do to create one is copy and paste the shipping details listed in your auction and throw in a few 'Thank Yous'.

Remember that every buyer can be a repeat buyer in the future if you maintain contact.

Turning Your Dead Leads Into Cash!

Most of the leads you'll get from your advertising campaigns will be dead leads. Dead leads will be things like cell phones that don't work, are badly damaged, or will not valuable enough to be worth your time.

Believe it or not, even phones that may seem like they have no value can actually still make you money. There are quite a few online based cell phone recycling businesses who in many cases will purchase cell phones in any condition.

Several of these recycling businesses have a referral program set up whereby anyone who visits the site with your affiliate ID and then sends in a phone ultimately entitles you to a small commission!

So if someone emails you about a phone and you are not interested, you can then send them an email telling them that their phone is not what they are looking for and at the same time send them a link to one of the recycling websites.

Here is a list of a few of the cell phone recycling websites:

www.cellforcash.com www.ecophones.com www.cellfund.com www.pacebutler.com www.oldcellphone.com

Cellforcash and Cellfund all have referral program places in place which means you don't really have to spend a dime on these programs to start making money. To sign up for these sites referral programs and find out more information click on the "referral program" link located on the top and bottom of each site. You must be familiar with the various makes and models each buys, how much they pay, and their standards for acceptance. Even if a recycling site does not offer an affiliate program you can still use their guaranteed price as a point of negotiation and act as a middle man.

If a phone is in a condition not worthy of being sold on Ebay and a recycler is willing to pay \$35 for the phone, then offer the person \$20. If they accept your offer then you can guarantee a profit of \$15 and with very little work on your part.

6. Starting Your Business On A Shoestring Budget

It's not easy to start a business when you've got a bank account in the double digits and a pile of maxed out credit cards. I would know because that's exactly the way I started out. As I mentioned earlier in this report one of the things that makes Ebay great is the ability to start small and grow big.

If you happen to be on a shoestring budget then you'll have to start very small and gradually build your capital and grow your business. When you have very little to work with, it will be difficult starting out but be persistent and you will see results.

Advertising

You're not going to be able to place big ads in your local paper or on a Facebook or anything so you're going to have to leverage your use of free and inexpensive advertising. Word of mouth and **CraigsList** are the most inexpensive form of advertising available to you. When you're at work or out being social be sure to mention that you pay cash for old cell phones.

You don't have to act like a salesman just wait for someone to either use a cell phone or make mention of their need for money and then mention that you buy old cell phones in good condition for cash. Many of these same people will end up telling their friends and these friends will end up telling their friends and so on.

Flyers are the next cheapest form of advertising and can be printed for just a couple of dollars per one hundred or so flyers provided you use don't color type or pictures. Definitely do pay the extra fee for color paper as black ink on white paper isn't very appealing or professional looking.

Be sure to target college campuses in your area with your flyers. Remember that college newspapers are typically inexpensive to advertise in and some will even allow you to advertise for free.

When you're low on money you're going to have to substitute your time in place of money. It will undoubtedly take some work and effort on your part to get the word out about your business when you've got a tiny budget to work with but it will be worth your time.

How To Buy Without Spending Your Own Money

When money is scarce it's difficult to invest what little bit of money you have into something in the hopes of making a profit. But don't let a lack of money discourage you from pursuing your dreams.

You're gonna have to work hard and take chances in order to get ahead. Success only comes to those who really buckle down and pursue it. Unfortunately, having little money to work with means you're gonna have to work just a little bit harder. Basically you're going to need to become a hard working, creative, risk taker.

That being said, here's a quick overview of how you can start buying cell phones without spending your own money....

Hopefully by this point you've taken the time to get the word out about your business. Remember that you can also make money just by referrals. What you're basically going to be doing is selling a phone on Ebay before you've actually purchased it from the original owner. This is what I did when I wanted to get started selling on Ebay but didn't have the money that I needed.

When you've found a phone that is in good condition and has a relatively high average resell value, request a few pictures via email (explain that you'd like to see the condition first hand) and offer the seller 40%-45% of the average resell price. If they are unable to send you pictures, that's fine too but make sure that phone is very good overall condition.

Tell the seller that you are a little busy at the time being but will pay for the phone in 3 days time. Make sure the seller agrees to these terms before you proceed any further. Once the seller does agree to sell you their phone in 3 days time you can then list the phone for sale on Ebay.

List the phone using the 3 day auction listing. If the seller was unable to provide you with any pictures, you're going to have to use alternate pictures in your auction. People don't trust sellers who do not use pictures in their listings and (unless you happen to be a powerseller) a stock photo image is about just as worthless as having no pictures at all.

In order to get the pictures you need you will have to search the completed listings for the phone you're selling and 'borrow' the pictures from that listing. Yes, borrowing someone else's pictures is unethical and is frowned upon in the Ebay community.

Many sellers, particularly powersellers, add a watermark to their pictures to prevent anyone from using them in their auctions. Ebay doesn't approve of picture stealing because it allows scammers to more easily rip people off. But Ebay does not have the time to inspect every single auction and search for

stolen pictures. The only way you're really going to get in any trouble is if the seller discovers your auction and reports you to Ebay, which is very unlikely. What your'e looking for is a seller that is clearly not a regular Ebay seller or in other words someone who does not have a great deal of feedback. The chances of a such a seller caring or even noticing that you are using their pictures is very unlikely.

Before borrowing any pictures be sure that the auction is at least one week old. You must select Paypal as your only accepted form of payment otherwise it could take weeks to get your money. Once you've received your Paypal payment it will take 2-3 days for the payment to clear and be deposited into your account. This means that if auction takes all 3 days to end you will have cover the cost until the money deposits into your account.

If you're unable to do cover the cost then run a 1 day auction and offer to pay the seller 5 days time. 3 days is better because it gives your auction more time to sell and is also a reasonable waiting time for the original owner. The main difficulty of selling in this fashion is not whether or not the phone will sell. The main difficulty is whether the phone you are trying to sell is really in the condition you described it as. If the owner did not provide you with detailed pictures (and most of them will not) there's almost no way to guarantee the phone will be in the condition you were told it was. Usually when someone tells you the phone is in 'like new' or 'very good condition' it will be but these terms can be somewhat subjective.

If the phone is not in the condition you believed it to be you can not ship it out anyway otherwise the buyer will not be very happy. You'll have to refund the money to the buyer and terminate your purchase agreement with the original owner on the grounds that the phone is not as described. This won't happen very happen but when it does it could cost you feedback and unhappy seller.

To lessen the potential damage, state in your email or phone conversation with the owner that your agreement is dependent upon the phone being in the condition described. So if they say the phone is very good condition and it is not you do not have to pay them.

In your auction state the you have listed the phone for sale locally and a refund may be given if the phone sells locally before you can end the Ebay auction. You'll need to write this in bold, red letters at the bottom of the auction. By placing a simple line like this on your auction and actually issuing a refund you leave the buyer no legitimate reason to leave you negative feedback. Again, starting your business in the manner outlined above is certainly a little extreme but desperate times call for desperate measures. Don't be afraid to take

chances in order to get ahead. In all reality you will not have to engage in such guerrilla tactics for very long before you before you start seeing some real cash flowing in.

7. Putting It All Together!

Hopefully by now you're excited and ready to start taking *massive* action on what you have read. What you have before you is a blueprint for success but it's up to you to put it into action in order to see results.

How much money can you make?

How much money you can make at this business is really dependent upon how much effort you devote to getting the word out. There is a veritable gold mine of cell phones out there just sitting around in peoples home's collecting dust. Just about every old cell phone has at least some value, so finding them will likely not be difficult.

If you follow all of the advertising methods outlined in chapter 3, you should have more leads than you know what to do with. But don't limit yourself to just these methods. If you have very little money to work with and can't afford to invest in advertising, then just spread the word to your friends and family.

When you come across good phones for your Ebay auctions and you can't afford to purchase them be honest with the person and tell them you can sell their phone on Ebay for a 50/50 split of the profits. Give the person an idea of what they can expect to get out of the phone using your market research tool and promise them money in 3 of 4 days time. You'll find that most people will be more than happy to cooperate with you since they didn't think they could get much for their phone anyway.

Most leads you receive will be for phones that will not be worth your time listing on Ebay. But thanks to the existence of cell phone recyclers you will rarely encounter a phone that is totally worthless. If you're low on cash and don't think you have the skills to negotiate deals, then use the recycling websites exclusively until you have enough money and confidence.

You absolutely can start small with this business and grow really, really big. There is simply so much product out there you could eventually open a small Ebay based consignment store where you could buy, sell, and refurbish phones. And because cell phones are still increasing in popularity, there's no telling how

much money you could be making if you start right away.

The only real disadvantage with this business is that you have to deal with physical products which are a little bit more complex than selling digitally delivered items. If you have never experimented with a physical products business before, you could very easily get overwhelmed.

Again, start small and grow big. Don't get too ambitious and start taking on more business than you can handle. Tons of business may not sound like a bad thing but it can quickly overwhelm you and your overall business can suffer as a result. If you're new to Ebay and physical products, then try only dealing with a couple of phones a week for a month or two until you get a feel for things. There are numerous shipping and customer service problems you may run into that I can not possibly cover in this report. The 'trick' lies in experience. The more experience you have the easier things will become for you.

In terms of growth, try reinvesting 30% of your monthly profits back into your business. Use the money to expand your advertising and your overall purchase budget. You obviously don't have to do this indefinitely, just until you've reached a level of income that you're comfortable with.

Because your business will be largely Ebay based be sure protect your feedback rating and score with your life! Do whatever it takes to keep your feedback rating above 98%. When a buyer gives you a hard time about a phone, be as cooperative as possible and give them a refund if need be. Your feedback score will make or break your business.

Whoever you are or whatever you think you're limitations are, you absolutely can do this business. Just by mentioning to your friends and family that you purchase old cell phones you'll likely be surprised at how many leads you get.

To your success,

Kinghuman