

[Another eBookWholesaler Publication](#)



Insider's Guide: Selling books on Amazon

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Chapter 1 Introduction

I wrote this book to help you earn anywhere from a few hundred dollars a month in extra spending cash to running a full-time business out of your home. Due to the tremendous flexibility in online bookselling, you can easily run this business on a part-time basis. Customers shop, and order, your books 24 hours a day, seven days a week from all around the world even if you aren't physically at the "store".

I'll show you how to set up and operate a profitable bookselling business, but I offer no guarantees as to the income you'll make, since the amount of profitability is left entirely up to your own choices and your own work ethic.

This book discusses the strategy and techniques of selling books on Amazon. It is a blueprint of how to set up and operate an online bookstore, not a User's Guide for the software that is used. Obviously, there are many, many different ways to go about selling books online. I'm showing you the methods that I currently employ to operate my business and I'll try to give you an idea of other options you might explore.

You will notice that throughout this book I recommend certain companies for products and services you may need. Due to the fact that the Internet changes so fast, I sometimes find better products or services. If I publish the URL for a particular company, you would not know that I now recommend a *different* company – that's why I want you to stop by www.tipsonbookselling.com to get the latest updates.

1.01 Why sell books?

If you enjoy the solitude of working by yourself, then selling books online may be just the business for you. Your day starts whenever you awake – no alarm clocks involved. You get the coffee brewing, read the newspaper (I read mine online), and maybe eat a little breakfast. You log in to your email and see what orders were placed since the last time you logged in. You answer a couple of emails that ask for information about a specific book – what condition it's in, what edition it is, etc. You take a shower, get dressed and “get to work”.

When, and how much you want to work, is entirely up to you. I like to fill my book orders first thing in the morning and get them in the mail. I can run over to a mailbox at the local shopping center and send out orders by 10 A.M. When I get new orders during the day, I get them packed up and put them in my home mailbox for a 2 P.M. pickup. If I want, I can even go back to the mailbox in the shopping center for a 4:30 P.M. pickup. Total time to process orders is usually less than an hour a day.

Most people choose to become booksellers because books are something they are intimately familiar with. You won't make a fortune selling books online, but with moderate perseverance you should be able to build your business to a point where you can provide a livable income without ever having to leave your house.

I was looking over my operation the other day, and it hit me that if I chose, I could completely run my business out of the house without ever having to leave! I order my inventory and supplies online. I order my postage online. I sell all my books online. I correspond via email.

I have chosen NOT to do that however. I chose to sell internationally, which means I must make a trip over to the post office occasionally in order to fill out the correct customs slips and make sure the packages get sent to the right countries. If I feel like getting out of the house for a while, I go to a few estate sales to look for book inventory and to see what other treasures I might find.

1.02 Minimum Start-Up Investment

This business can be started with very little capital. As a matter of fact, I started my business with only a credit card.

Here's a quick breakdown of estimated minimal startup costs:

- \$39 -Amazon (Monthly fee in addition to their commission)
- \$100 – 125 paperback books (Win an auction for bulk books at eBay and pay with your credit card at PayPal)
- \$21 – Small box of shipping envelopes
- \$20 – Big box of bubble wrap
- \$10 – Shipping Tape

There you have it, for about \$190 you have everything you need to start this business. If you went to estate sales to look for books, you could probably lower your startup costs. The problem with estate sales is they usually don't take credit cards.

This book explains how to run a more automated business so if you elect to go with this minimalist investment, you will have to do everything manually until you can upgrade to the system I use which is more like \$1500 in start-up investment.

1.03 On-line Store vs. Auctions

I'm going to show you how to set up and operate a bookstore, not how to set up and run eBay-style auctions. I'll explain how to locate books and price them, manage inventory, handle customer transactions, etc.

There are times when you may want to auction items off. Those times usually occur after you purchase a book lot (a large batch of books is called a book lot) and find some that you can't list on Amazon. Other times, you may discover that competitors' prices for particular books are unusually high – a signal that the book may be a valuable collectible and more research is required on your part.

1.04 Who Are The Competition?

As with virtually any business, you are competing with other booksellers for the same customers. So who are these other booksellers?

(1) Full Time Booksellers

These people are in business to earn a living. They monitor their costs and compete with you in securing customers. They usually work hard to provide quality merchandise at reasonable prices. They strive to keep customers happy since they know that repeat sales are their bread and butter, and that happy customers will come back to buy from them time and again. I've found that these people are usually ethical and very competitive.

(2) Part Time Booksellers

These are, by far, the majority of the online booksellers. They are comprised of students, stay at home parents, retirees or people who are in business because they enjoy books and want to make a few extra bucks without spending too much energy. They price their books with the sole purpose of getting them to move off their shelves – whether or not they are making much money on the deal.

(3) Book Selling Groups

There are several bookselling groups on the Internet, groups like ABE and Alibris. These are generally large groups of part-timers that sell through a common online interface. These groups operate a lot like the “Antique Malls” you see all over the place. Those malls charge part-timers a monthly rental fee, plus they take a percent of any sale that is made.

These groups make books available to several different storefronts (Amazon, Half, Barnes & Noble, etc.) at the same time. If a book sells at one storefront, it is the responsibility of the group to remove the book from the other storefronts that also displayed it for sale.

(4) People Unloading Their Books

These people are hard to understand. They love their books but they want to get rid of them. Many times these people are downsizing and just don't have the physical space to store them any longer.

The books they are selling are generally very nice, but not necessarily collector-type books. They don't want to give them away. It seems they are looking for a home for their personal effects.

A lot of times they cause pricing problems because they are just unloading their books and set the prices unrealistically low so that real booksellers can't possibly compete – sometimes they will price their item at 1 cent, hoping to make a small profit with the shipping fees. More on these “Penny Sellers” later.

Chapter 2 How Do I Start?

There are many ways to set up an online bookstore. This chapter describes why I chose to sell primarily on Amazon.com, and how to duplicate my operation.

2.01 Types Of Online Bookselling

“Brick and mortar” stores, those that have a physical presence like Barnes and Noble or Waldenbooks, chose to invest major dollars to develop their own online presence. They wanted to make sure they got every dollar from any customer that came into their online store. They also wanted to be able to do follow-on sales by following up with those customers with special Internet offers delivered via their email. Customers began to remember their URL’s so that they could get back to their website again.

Partnering with an existing online bookstore, like Amazon.com, lets you sell *your* books to *their* customers. You operate like a wholesale book supplier to them, even to the point of drop-shipping books to their customers. Our goal is to convert *their* customers into being *our* customers, and the only way to effectively do that is to have our own online bookstore where we can direct them for future purchases.

There are also small, and/or specialized, booksellers that prefer to use online auction sites such as eBay or Yahoo. When you know what you’re doing, these sites allow you to earn top dollar for unique items – items that are rare, signed, or just hot items.

I chose to use eBay for running my auctions because they have the largest customer base. The biggest problem I found when selling routine books is that it’s very hard to make money due to the exorbitant fee structure on eBay. A single listing for one book on eBay costs 30 cents for one week of selling exposure. If it “sits on the shelf” (you have to relist the auction over and over) for 6 months before it sells, then your base overhead for that one book would be \$7.80 (30 cents times 26 weeks) – and that’s before you pay eBay their “Final Auction Value Fee”!

Do yourself a favor and sell only unique items using eBay as your storefront – they are just too darned expensive.

2.02 Background For My choices

Here's a little background on why I chose to sell the way I have.

I sold my 13-year-old business in 1999 and was looking for a new business opportunity. I started to develop a website design business in late 1999. By early summer of 2000 the Internet market had started to collapse and it was next to impossible to sell website development services using Flash animation. At first we thought it was just a minor downturn in the economy, so my business partner and I began looking for other sources of income “until the economy recovered”.

My partner had a highly collectible Campbell's Soup sign from the early 1900's that he had in his basement for a couple of decades. He did some research and decided to sell it using James D. Julia, an east coast auction house. They auctioned his sign off for over \$40,000 and, of course, he was extremely happy. That sign got us pointed in looking at the collectibles' market.

We began going to estate sales to see if we could find anything collectible that we could auction off through eBay. At the very first estate sale I found two United Airlines travel posters from the WWII era. I almost left without buying them, but then I went back and took both posters for a grand total of \$2 – not \$2 EACH, but \$2 TOTAL.

We invested in an inexpensive digital camera to get clear shots of our estate sale finds. I figured out how eBay worked and set up an account so that I could trade online. Putting the first items online was an “iffy” proposition because I wasn't quite sure what I was doing. As I set up my first auction I wasn't sure what the eBay fees would work out to be and whether or not I'd be charged a lot of money for the sale.

I put the first poster up for a 10-day auction and was blown away. I sold that first poster for \$142! Things were looking pretty good so I put the second poster up for another 10-day auction. Lo and behold, this one sold for \$274. We made \$416 on a \$2 investment in less than 20 days. Even with the eBay Listing Fees and Final Auction Value Fees, it sure looked like we could ramp up this business and make some serious money.

We restructured our company to provide eBay auction services to local customers. We had people bring in all sorts of items to shoot pictures, write descriptions and run auctions. Unfortunately, eBay made all the money and we weren't able to get fairly compensated for the amount of time and effort it took to set up auctions and ship out items.

We found out that shipping large items is a real pain in the neck. One of our customers had an "ET" bicycle that he sold for a pretty good amount. But it was very costly to package and ship this item. My partner and I started to focus on easy-to-ship paper products, like books, posters and prints.

This is where we got our rude awakening. We went to estate sales and bought large book lots. Figuring that this eBay thing was pretty easy, we started to take pictures and write descriptions of all the items, and then put them online, answer all the questions and manage the auctions. When the auctions closed, we would wait for payment, write invoices and package the products for shipment. I learned the quickest, least expensive ways to ship these items.

This all worked pretty well except that we had a LOT of books in our office that weren't selling. Each time you put an item up for auction, eBay charges a minimum of \$.30 – this doesn't sound like much but it adds up quickly. eBay gets paid whether or not you make a penny – that's why a lot of people have started calling them *FeeBay*. If a book doesn't sell, you can relist it but you pay the fee again if it doesn't sell. *If* the item sells, eBay takes a percent of the sale, the amount charged depends on how much you sold it for and what percent they feel like charging at the time.

You get hooked into feeling that you're doing pretty good because you stay real busy putting items online and sometimes a book will sell for better than \$50 when all you paid was \$0.25 for it. The downside is all those books that keep costing you time and money to keep online. Since I didn't have a physical retail store for people to come to, my only sales were for whatever I could sell through eBay. I was slowly going broke with all the fees on books that weren't selling.

I decided to develop my own online bookstore. I spent a lot of time in the summer learning php and sql. I then designed and built a complete online bookstore. It took a long time to load my books because I had to load all the pictures and write all the descriptions of the items while still running large quantities of auctions and shipping

out lots of books. The store was up, running and debugged when we ran out of cash and decided to close our operations.

After closing our company, I decided to look for employment. After a couple of months, many resumes, and no interviews, I found out there wasn't much call for an ex-Inc 500 CEO who was nearing 50 and who didn't have an advanced college degree. My choices were limited. I could either compete with teenagers and college kids for a service job or start yet another business.

I took a close look at how I wanted to operate. I had learned a lot about books and they were the easiest for me to describe and ship out – plus I enjoyed reading them. Working out of my house, I wanted a hassle-free way to sell books and still have time to enjoy life.

This should give you a pretty good understanding of my state of mind as I went about crafting my present bookselling business. As time goes on there will be better ways to sell books – and by then you'll be able to see and evaluate those opportunities to determine if you want to incorporate them into your business.

Right now, my business model is working pretty well, and now I'll show you what that model looks like.

2.03 Choosing My Store

I needed to find a way to sell my books online and not pay a fee every 7 to 10 days, like when I used eBay exclusively.

(1) Amazon.com

I decided to check out the major players in online bookselling. THE major player was Amazon.com. Looking further into their operation, I discovered they had a program in place that allowed independent booksellers to partner with them to sell their books through them. Amazon has a huge customer base and they get lots of people from all around the world to “come into their store to buy”.

Working with Amazon is pretty slick. You enter the ISBN number of the book you have, describe its condition, enter the price you want to sell it for, tell them whether

or not you want to sell internationally and that's it. You don't need to take pictures of the book, spell out whom the book was published by or write a synopsis of what the book is about - they handle that stuff for you automatically!

Here's a simplified description of how the process works:

1. Upload your book information to Amazon
2. Amazon emails you to let you know when a book has sold
3. Package and mail your book
4. Email the customer notifying them the book has been sent
5. Amazon takes its selling commission and sends the rest of the payment to you via direct deposit every couple of weeks.

There are 2 ways to sell items on Amazon.

1. *Free*

You can use their "free" service. This is the reason there are so many sellers on Amazon. It doesn't cost much to sell a few items – actually, it doesn't cost anything until the book sells.

This service allows you to load books one at a time using their web interface. They charge you only after a book sells. The commission with this free service is 99 cents per book plus an additional 15% of the selling price. The book stays listed for 30 days and then expires. You can then put it back online, free of charge, if you want.

2. *Pro Merchant Subscription*

I use this subscription service instead of the free listing method. The reason I use it is because it costs only \$39.99/month and for that they wave the 99 cents per book (I still pay the 15% commission though). In addition, my listings stay online until I cancel them or until they sell. I am also able to use the automated uploading tools to streamline price changes and add new books quickly.

Both of these methods let you put books on what they call “Marketplace”. This is the place where customers come to search for books. In addition, the subscription service provides what they call a “zShop”. All of the books you list on Marketplace are automatically placed in this personal online store. In this store, you can also list items that you can’t sell on Marketplace – items that don’t have an ISBN number.

The intent of a zShop is to provide you with your own online bookstore that can be accessed through a unique web address. The address is:

www.amazon.com/shops/your_store_name

You can use this web address to give your customers a location where they can order. If you want, you could also sign up with a web hosting company so that you would have a unique URL (like www.booksellingMike.com) and then redirect your home page to your Amazon zShop store.

(2) Half.com

I chose to sell those items that have an invalid ISBN number at Amazon, through the eBay store called Half.com. In addition, I sell other items that have either a rarity factor (author-signed, first printings, etc.) or no ISBN number (Disney Commemorative Books, etc.) through auction at eBay.

There are some tradeoffs when using Half.com (owned by eBay).

- There is currently less traffic for books than at Amazon.
- Any upset customer can destroy your eBay seller rating because both their auctions and stores use the same rating system.
- They require a huge amount of books in order to pay them to use their automated uploading services.
- Their system of processing book orders is pretty lame. It takes a while to figure out what they sold and where you put those items in storage.
- It's much harder to manage your inventory and monitor your pricing.

(3) eBay

I pretty much use eBay to sell anything that I can't sell on Amazon or Half. I also use it when I have rare items where I know I can get more from an auction than sitting online at a bookstore.

There you have it, my online bookselling strategy that's been working fine for me:

- Sell primarily at Amazon
- Minor overload selling at Half

- Everything else is sold through auction at eBay

2.04 Operational Hardware & Software

I've chosen the following hardware and software to automate much of my bookselling process and to make the business enjoyable. You could get by without most of it, but I highly recommend using these items to simplify your life.

Unfortunately, when building any business, there is a learning curve. In this case you will need to spend some time to familiarize yourself with all the different software. You will feel uncomfortable at first, but it will become second nature very quickly. Then you won't have to think so hard each step of the way.

(1) Computer and Monitor

In order to run your new business effectively, you'll need a solid computer to run the required software. The majority of the required software has been developed for Windows systems only, therefore I recommend using a solid Windows-based computer system.

The computer doesn't need to be all that powerful but it needs plenty of RAM – as much as you can afford. I currently use an old 800 MHZ, Pentium III system with 512MB RAM. I also highly recommend using at least a 17" monitor – I'm using a Samsung Flat Panel because it throws off a lot less heat than my old monitor and because the image is very crisp.

(2) Printer For Shipping Labels and Postage

I started out by manually printing my mailing labels and then running them over to the post office to send out. I then started to cut and paste the customer mailing information that was sent to me by email, but I still ran over to the post office.

My "state of the art" system works much, much cleaner. I bought a DYMO label printer that attaches to my computer like any other printer. Now I'm able to print my postage, delivery confirmation and mailing labels all at the same time. And I don't have to run to the post office every 2 seconds and stand in line during the busy times.

I'm currently using a company named Endicia for most of my postage needs. Stop by my website at www.tipsonbookselling.com to see if they are still my primary supplier.

(3) Bookkeeping Software

You need to keep track of a lot of details for your accounting. In addition to a qualified accountant, I highly recommend *QuickBooks Basic* for your bookkeeping software. This software package makes it a lot easier to track inventory, expenses and write sales receipts. Again, stop by my website at www.tipsonbookselling.com to see if they are still my primary supplier.

(4) Book Database Software

You need to track all the books you're selling. You could load all the books onto Amazon one by one, but that is time consuming and a pain in the neck (that's how I started). I looked for a program that could streamline the book loading process.

There are many different systems out there. Most of them automatically load up pictures of the books, get book descriptions, help complete the sales paperwork, etc. I looked at many of these but discovered that only one of them helped with the most time-consuming aspect of selling books effectively – the ability to help me determine realistic pricing.

I chose a book database program called SellerEngine because of its ability to pull Amazon information from each of your book listings and show you very quickly where your price is relative to your competitors' for the same quality of book!

Check out my website at www.tipsonbookselling.com to make sure they are still my recommendation.

The downside to using this software is that it doesn't directly work with any other sites (Alibris, Half, ABE, etc.). Since almost entirely all of my sales come from Amazon, that's a good tradeoff for my operation.

(5) Contact Management Software

You need contact management software to email your customers when you send out their order, have special deals for them, etc. I started out using Microsoft Outlook so I could fetch my email, track the customer and print shipping labels directly from it. My customer base has grown quite a bit so I have begun using ACT! as my contact manager because it has some advanced features I like to use.

Again, check out my website at www.tipsonbookselling.com to make sure they are still my recommendation.

(6) Internet Connection

Running this business using a telephone dial-up connection would be very hard. You really need to invest in a full-time, high bandwidth Internet connection. Most places have cable or DSL services available for a nominal monthly fee. This fee is tax deductible as a legitimate business expense.

I personally use a cable connection. The cable service costs me under \$50/month and provides about 3 times the speed of the local DSL service.

(7) HTML Editor

To make your life easier when setting up auctions on eBay, get yourself an HTML editor. These programs let you easily create the web pages that eBay buyers see when they view your auction.

I use Microsoft FrontPage because it's easy to use and I purchased it when I designed web sites for a living. There are other professional packages out there, like Macromedia Dreamweaver and Adobe GoLive, in addition to basic free HTML editors that can be found at www.tucows.com

Stop by my website at www.tipsonbookselling.com to see what I'm currently using.

Chapter 3 Set Up Your Accounts

You need to set up accounts in order to sell online. These accounts assure that you agree with the terms and conditions of the individual online company you are working with. If you have any doubt regarding the legalese, contact a lawyer.

For all of these accounts, stop by www.tipsonbookselling.com for the latest account URL's.

3.01 Amazon.com

This is your primary selling account. Do the following after going to the signup page I provided on my website.

Click on the link that says “Sign In” under existing Sellers. You can now tell them your email address and create a password. If you are already an Amazon customer, just use the email address and password that you have been using to order books.

After setting up your user information, return to the page you arrived at by clicking the “Sell Your Stuff” link. Now click on the link “Learn about volume selling” under “Have Lots to Sell?”

Now click on “Pro Merchant Subscription” and set up your subscription for \$39.99 per month. This is the one that allows you to use the automated tools to do price changes and batch loading of inventory.

3.02 Half.com and eBay.com

This account is both your backup selling account (Half.com) and your auction account (eBay.com). Do the following after going to the signup page I provided on my website.

Click on the link titled “my account” at the top of the page. If you don’t have an eBay or Half account, now is the time to set it up.

3.03 PayPal

This account lets you make and receive payments for eBay auctions. It also lets you accept credit card payments for eBay transactions (Amazon and Half both handle their own credit card transactions for you).

You don’t pay fees when you use this service to pay for items that you purchased, however you do pay fees when you receive funds if you choose to accept credit cards.

Go to www.paypal.com and set up your account as a new user.

3.04 Endicia

This account lets you buy postage online and then print it to your printer. The cost is \$9.95 per month for the service, but you more than pay for that monthly fee due to their reduced delivery confirmation charges and from not having to drive to the post office and stand in line. Use the link I’ve provided on my website to get the equipment and service I recommend.

3.05 SellerEngine.com

Go to www.sellerengine.com to purchase and download the book database and pricing software. Please let them know that you found out about them from Larry Scott.

3.06 YourBookstore.com

As your business grows, you will probably want to have your own online bookstore. You will get orders from Amazon, and when you sell a book you'll send these new customers a shipment confirmation along with a small piece of advertising with your web address on it that invites them to come shop at your bookstore.

After a while, people will start coming to your store before shopping on Amazon. Then you won't have to pay commissions to Amazon and you will keep the full shipping and handling fee for yourself.

I'm still trying to find the most cost-effective way to set up my store. SellerEngine doesn't gather book images, synopsis, publishing data, etc., so I would need to manually enter all that information each time I added a new book to my bookstore.

Check back to my website at www.tipsonbookselling.com to see how I solve this. Until I do, I'll keep using my Amazon zShop as my storefront.

Chapter 4 The Books

The books you choose to sell define how your company is perceived. Are you a bargain basement seller of romance paperbacks, a moderately priced seller of school textbooks, or maybe an upscale seller of historical books? Whatever you decide to sell will determine what customers will come to your store.

4.01 What Kind Of Books Should I Sell?

I have found that almost any type of book you decide to handle will eventually sell.

I didn't want to rely solely on books I could find at estate sales for supplying my book inventory, so I tried purchasing only brand new books. I found out that many places on the Internet sell remaindered books. Remaindered books are those books that didn't sell at the bookstore so they were returned for credit to the publisher. The publisher requires these books to be somehow marked so they can't be sold as brand new. The mark is usually in the form of a black permanent marker line across the top or bottom edge of the book. The book is still brand new, but now it is not perfect except for reading. The concept of buying these and selling against Amazons' "new" books was quite appealing. It's so appealing in fact, that there are a bunch of booksellers doing the same thing. What does that do? It drives the price of the books way down due to oversupply. I refuse to sell so low that I'm giving my inventory away so I still have a lot of new, remaindered books in my inventory.

Another source of new books is to buy them at auction on eBay. I bought a bunch of newly published, soft covered books from a small publisher. I put them on Amazon and found that since nobody has heard of these titles, they never search for them and so far I haven't sold a single one of them!

That leaves selling used books. I have found that buying large quantities of used books has yielded pretty good results. You'll find that a lot of the books you get can't even be given away – but there will be a good number that people will pay good money for. Most books from well-known authors do NOT sell well – unless that book is collectible or happens to be in short supply. Publishers for known authors start out with huge print runs, swamp the market, and then people unload those books after having read them. You see it all the time in new bookstores – they sell a bunch of them and then they give huge discounts to get rid of their inventory. A recent example of this is Hillary Clinton's book, *Living History*. The publisher had forced the book onto the booksellers so that the booksellers had no choice but try and figure out how to unload them. I was at a Barnes and Noble bookstore the day after this book came out and they had already discounted it 30% to get rid of their inventory. I went to a small local bookstore and they were trying to compete with Barnes and Noble so they had it discounted 40% - THE DAY AFTER THE BOOK CAME OUT! Unbelievable! (I guess that's how they sold so many of copies of this book. I still haven't talked to anyone that has read it.).

I tend to focus on business, science fiction and mystery types of books without much regard as to whether or not they are soft covered or hard covered. By narrowing down what I choose to sell, I can be more effective in understanding if I am buying items at a good price. By far, the most important element of selling items online is to sell QUALITY items. Stay away from musty, broken, torn and worn out books because all they will give you is grief.

As you add books to your inventory, you will become much more comfortable with what sells and what to avoid. Until you get comfortable with knowing what type of book sells well, pick up a mixture of different books and see how they sell.

4.02 How Much Should I Pay For Them?

Normally, in business, you can determine how much to mark up an item and apply that across your product line. However, in bookselling, the process is not that clean. As an example, you could purchase 100 paperback books for \$50 and find out that 99 of them aren't worth anything but one of them is worth \$100.

I try to keep my cost of inventory to an absolute minimum. I try not to pay any more than 50 cents per paperback (shipping and tax included) and I try not to pay more than one dollar for hard covers.

The exception I make to this rule is when I purchase used text books. By their very nature, text books are pricey. If you plan to buy a particular set of text books (as I have done on eBay), check out the titles on Amazon to see what they are selling for. Then figure a price that is **NO MORE** than 1/3 of the lowest price (including shipping and tax). It's not that you are trying to rip anyone off; it's just that textbooks sell at the same times as school sessions start so you may end up holding your inventory for a while. And you have to be careful to buy current editions that are not severely marked up or highlighted. These books take a fair amount of work to buy at the right price, but they can make you a pretty good profit when they sell.

4.03 Where Do I Store Them?

Okay, now that you have purchased some books, where do you store them? That doesn't seem like too hard of a question until you start to see that you need adequate space to store them. 1,000 books may not sound like much until you see how much they weigh and the amount of physical space they take up.

You need a place that is environmentally friendly. Musty basements or garages can quickly doom your new venture. Your inventory should be stored in the same living conditions that you prefer to live in – for me this means storing a lot of them in my spare upstairs bedroom.

Just how do you make all these books easy to find and not get damaged? Books should be stored vertically so that they don't get that dreaded slant to them. In addition, they should not have other books on top of them, crushing their corners or bending the soft covers of the paperbacks. I started out by storing them in pressed wood bookcases from the local discount store. I quickly found that I was constantly shuffling the books as they sold so that the authors were in the right location so I could find them easily (who wants to spend 2 hours looking through thousands of books to find the one that just sold for \$1.95?).

My current system evolved to track and manage inventory. When I enter a book in the database, I add a SKU (Stock-Keeping Unit) number in the description field.

When a book is sold, this number is sent to me along with the book title. I simply decode the SKU, walk into the other room, and within 2 minutes I am back at my desk and sending the item out.

How do I do that? Well, I found that the little plastic storage crates that are sold at discount office supply stores work great for stacking and storing books. I just assign a SKU number to my current book purchase and put that number on the crate (I use a post-it note with tape to hold it in place). When I get an order, I just walk over to a stack of crates and look for that SKU number. When I find it, I know the book I need is within the box.



Some booksellers like to make up SKU numbers that start with letters denoting where in the house the book is located – like MBR to signify Master Bedroom, LR to signify Living Room, etc. My SKU numbering system is pretty straightforward, when I buy new books I put the month, year and the number of the box I added this month. For example, if this is the 4th box I filled in December of 2003, the SKU would be 1203.04 (December = 12, 2003 = 03, 4th box = 04).

SellerEngine keeps track of each title as a unique SKU item. So what I do is allow the program to automatically keep the numbering system that provides a number like SKU-001345. I then manually add the 1203.04 to make the full number read something like SKU-001345-1203.04. It's now a breeze to find my book and the serial number of the SKU allows me to track items independent of each other.

4.04 Where Do I Buy Brand New Books?

New books can be purchased from various sources. You can buy them one at a time or a bulk lot of thousands of books.

(1) New Bookstores

Stop by your local new bookseller and check out their overstock tables. When you've been doing this for a while, you'll find that occasionally these booksellers have something that is selling well nationally but not locally.

As an example of this, I discovered that Dan Browns' book, The DaVinci Code, was being discounted to about \$15. I knew that the first edition, first printing of this book was selling on eBay for over \$45. I looked through the books and found a dozen First Edition, First Printing copies. I auctioned a couple of them off to recoup a lot of my initial investment and I'm holding on to the remaining amount because I learned that the film rights to this book have been sold and I expect the book's value to keep climbing for quite a while. Again, don't buy these types of books unless you can get at least 3 times what you pay for them at the store.

These stores also sell their remaindered books at a steep discount. But remember, it seems like all the booksellers in the world want to sell these things and many will sell them at almost no profit just to get them out of their inventory.

(2) Publishers

If you decide to set up your own web store and plan to do a large volume of books, you can contact a publisher to buy large quantities of books. Depending on the volume of your purchase, they will direct you where to buy.

(3) Auctions

If you're careful, you can buy new books at auction on eBay. Before bidding, check the books on Amazon to make sure they are sellable. Also remember to take into account the cost of shipping and handling when you're calculating what you're willing to pay.

I use an auction sniping service to get the best bargains on books. Sniping is the ability to wait until the last seconds of the auction before submitting your bid. By waiting until the last seconds, you don't "show your hand" to a lot of other bidders that see action on an auction and start bidding the prices up.

This service also helps you to not play the eBay game of the "You've been outbid" notice. You see, eBay sends an email to you when you've been outbid and then you get caught up in the bidding frenzy. Don't do it!!

By using this service, you just put in the amount you're willing to pay and it sends in your bid at the last second. If you've been outbid it really doesn't matter because you put in the maximum logical amount the auction was worth to you without your emotions kicking in.

Stop by my website at www.tipsonbookselling.com to see what sniping service I'm currently using.

4.05 Where Do I Buy Good, Used Books?

No matter where you go to purchase used books, make sure the books you buy are NOT ex-library, dirty, musty, torn, written in (other than owner and author signatures or textbooks) or have highlighting in them (except textbooks). If the book originally came with a dust jacket, make sure yours also has a clean one.

I stay away from foreign books, dictionaries, bibles and encyclopedia sets. I also don't buy BOMC (Book Of The Month Club), Time Life, Readers' Digest or Oprah books.

You also want to be careful when choosing to sell antiquarian books. Amazon is set up to accept ISBN numbers, so if you buy old books you'll need to either auction them off at eBay or sell them from your personal storefront. You won't have the

marketing power of Amazon trying to sell them for you. That's not to say that you don't want to buy them. You may find a real treasure, like a pristine first edition of Hemingway's *For Whom The Bell Tolls*. You might get that book for \$1 and find that it's worth \$500 in the condition it's in. That's part of the fun in this business – it's like going treasure hunting on a budget.

ALWAYS BUY QUALITY! Your reputation is on the line with the merchandise you offer. If the book isn't clean enough that you would personally buy, then don't try and foist it upon your customers.

(1) Auctions

EBay – You can bid on book lots on eBay at *Books>>Wholesale, Bulk Lots*. The same rules apply here in that you want to keep your overall cost per book within the amounts you're willing to pay. Don't get suckered into believing that every auction is the one that you should have won. EBay sends you an email notification each time you are outbid to try and get you into a bidding frenzy – **DONT DO IT!** Set the price you're willing to pay and walk away from it if it exceeds your initial calculations.

(2) Estate Sales

Estate sales can be a wonderful source for books. I've gone to some of these sales and have walked away with as many as 300 quality books.

There are many reasons people have estate sales. There's the obvious reason that the last member of the family has died and the remaining belongings are being sold off. But there are also times when retired couples are downsizing and just want the cash out of their belongings or when families need the cash and sell off everything. You can find when and where a sale is by looking in the classifieds of your local newspaper. At first, you may want to go to a lot of these sales to get a feel for how they work. Later, you may not want to spend the time on the road and will need to review the classifieds carefully to determine if they specifically list books as one of the items they are promoting at this sale. Most sales have at least a couple of good books but you probably won't run into big book stashes unless the ad specifically states they have books for sale

These sales are definitely classified as “the early bird gets the worm”. Major attendees are antique dealers. These sales are one of their primary sources of merchandise (where else do you go for antique goods?). A large percentage of these “dealers” operate their businesses part time by buying items at estate sales and then putting those items in “antique malls” where the person who runs the mall gets a little rent from the dealer for the space and then sells the items on consignment without the part-timer ever having to be there. The problem is that these part-timers tend to take everything they view as “old” and that can mean that any good, collectible, book gets snatched up quickly.

If you want a shot at the good stuff, you need to get to the sale a couple of hours before they open. There are usually bunches of people lingering around the doorway, waiting for it to open. The first thing you need to do is get to the front door and ask for the sign-up sheet. You jot your name on a piece of paper and remember your number. When the sale starts, a member of the selling company will come to the door and either read off some names or some numbers to let those people in. They only let a small number of people in at any one time to keep the feeding frenzy down. The problem is that the first 10 people or so will get the majority of the finds that are present for that estate. After that, you get access to stuff that hasn’t sold. For us as booksellers, that isn’t necessarily a bad thing. A lot of folks overlook newer books thinking that the only items of any value are old items.

The second day of these sales is usually ½ price day. I’ve gotten some real good deals on the second day. You can come in and find newer books that may be unique to the owner – they may be heavy into science, have medical or dental textbooks or just have books that most people don’t buy. This is great for you because if you find books that were published in low volume, you won’t have as much competition for them and they will command higher prices.

(3) Libraries

I’ve had very good success with my local library. They sell used books at the front door. Local people donate a good many of these books so these books are NOT ex-library.

The problem with old library books (ex-lib) is that people usually don’t want to buy them because so many people have handled them and they have all those library

markings stuck on them. I've found that the best way to handle that is to NOT buy ex-library books.

I recently found a book on Object Oriented Programming that I purchased for 25 cents. I put that book on Amazon and it sold 10 days later for \$28.00 – not a bad return for driving to the library!

Libraries also hold sales for large quantities of used books. These books are donated to the library that then offer them for sale as a way to gain more revenue for library projects. Check with your local library to see when the next one is scheduled.

(4) Rummage Sales

I've had some success at rummage sales. Most of the time these sales have the romance series of paperbacks – Harlequin and Silhouette. They also have old book club, dictionaries, encyclopedias, Time Life and Reader's Digest types of books. I haven't had much luck in selling these so I stay away from buying them.

(5) Thrift Stores

I've heard that some folks find really good deals at their local Goodwill or Salvation Army type of thrift shop. I've been to my local stores and can say that I haven't been too excited about what they offered. Their books were well worn books I wouldn't personally buy, and their prices were way too much to even consider for reselling.

That may be unique to my area so check the stores near you to see if you fare any better.

(6) Churches

I've had pretty good luck at a local church. The church I visit has a small store attached that sells donated merchandise. I try to stop in there once a month to see what they have. A lot of their books are in good condition and many are fairly new. The prices have been very competitive so I can routinely pick up a couple of grocery bags worth of books to put online.

(7) Run An Ad

Place a small classified ad stating that you buy books for cash. They call you and describe what they have. You explain that you aren't looking for collectible books but books that you can resell at your online bookstore. You tell them that you pay 50 cents for good paperbacks, a dollar for good hard covered books.

You need to tell them you don't pay for encyclopedia sets, dictionaries, bibles, Time Life, Readers Digest, Book Of The Month Club or ex-library books. You also don't buy musty, dirty, torn or worn out books – only books that you would buy for yourself.

They come out to your place and deliver only the books that you have agreed to buy. What could be simpler?

(8) Used Bookstores

We have a chain of used bookstores in our area. These can be a source for hard to find books that you know are selling well. These stores deal in volume so they don't pay much attention to what they sell, just how much they sell.

You need to be careful though. Remember, if you can't make at least 3 times the amount you paid then it probably isn't worth buying.

(9) Book Scouts

No, I didn't say **Boy** Scouts, the idea is to use **book** scouts. These are people that you work a deal with that become your legs and eyes out there. They go to estate sales and rummage sales and bring back large quantities of the type of books you told them you would pay for.

You could contact a part time antique dealer and offer to pay them for books they find at the estate sales they are already going to. Or you could find high school and college kids that go to rummage sales on the weekends and can use some extra spending money.

I have a single sheet that I hand out when I find a candidate to scout books for me. I refund them the actual cost for their purchases (they give me their receipts) and then

I pay them for each book that meets the criteria I told them (I pay an additional dollar per hard cover and 25 cents for each paperback).

Here's a copy of my handout:

Process:

Pick up a couple of solid, clean boxes at the grocery store or liquor store.

Purchase the items at estate and garage sales. You ONLY purchase those items that you would personally buy at a used store - NO CRUMMY MERCHANDISE!!

The items usually cost \$1.00 - \$2.00 for a hard covered book, \$.10 - \$.75 for a soft covered or paperback and \$1.00 - \$2.00 for a poster. They will sometimes have a special book at a high price - don't buy it until you've talked to me because they are usually grossly overpriced!!

NOTE: Don't overpay - I have limited funds and I'd rather give it to you than the person selling you the book!

You give me the sales receipt from where you bought them and I will repay you. I will then take them home and see which ones I can sell and then give you an additional amount as determined by the rates shown below.

Rates:

\$1.00 per hard cover

\$0.25 per paperback/soft cover

\$1.00 per poster

Book Selection:

NO Old Library Books

NO Encyclopedias

NO Bibles

NO Dictionaries

NO Readers Digest editions

NO Book Club (BOMC = Book Of the Month Club) Editions
(Only choose books that show the original price)

NO Oversized "Coffee Table" books with lots of pictures - just reading books

NO School Textbooks

NO Paperbacks that are all crinkled up from too many readings (or the book is curled and the spine is bent)

NO "Price Clipped" Books - Those books where the price was cut out of the dust cover when the book was given as a gift.

NO Books with a lot of writing and underlining in them

NO Books that have lines or marks on the edges of the book - these books are called "remainders" and were marked by the publisher to get rid of them at cheap prices.

NO Books that have broken spines, torn or missing pages, mold, mildew, ripped-up dust covers, etc. If you wouldn't buy it, who would?

Poster Selection:

Look for posters that are advertising pieces. Posters from companies like United Airlines, Miller Brewing, etc. They need to be in clean shape, without tape marks, tears or mildew. Some older ones may be very brittle due to their age so please be careful in handling these.

(10) Consignments

One final thought is to partner with others and take their books on consignment. They buy the books and you sell and manage the online inventory.

You will need to store their books at your site. You may have to answer email questions about the book so you'll need to see the book in order to answer the questions. You'll also want to send the package out quickly once the book is sold.

The big advantage here is that you don't need any cash for inventory.

Chapter 5 Inventory

Now that you've found your books, you need to get them ready to sell. You also need to be able to track them for bookkeeping purposes and to easily locate them so you can send them to the buyer.

5.01 Accounting

You must keep good records of your business activity to comply with local and federal tax codes. Always get and keep your receipts so that you have proof of an expense if you ever end up with an audit.

A nice side benefit to selling books through online portals such as Amazon and Half is that they handle all the sales tax paperwork, you are merely a subcontractor for them that provides inventory and shipping. If you should decide to set up your own online store in addition to selling through Amazon, then you need to follow your state's sales tax laws and fill out the appropriate forms. Consult your accountant to see what is required.

You must document your inventory (book) purchases so that you can expense them against your sales. If you were to go out and buy 1,000 books for \$1,000, you can't just subtract that amount as an expense against income. You must determine what the cost of each individual item you purchased was, in this case it's \$1 per book. Each purchase will be a different amount, so you need to determine and track the value for each book in your inventory. Then when you sell a book, you figure out which book lot the book came out of and you can expense that amount from the sale. In our example, if you sold a book for \$100, you would expense \$1 for the cost of goods of the sale. If another book sold for \$2, you would still expense \$1 for the cost of goods of the sale. There is a dollar threshold where, if you stay under it, you can

just expense the whole amount and not worry about inventory – check with your accountant to see what the current laws are for your situation.

I track inventory as simply as I can. First off, my *Quickbooks* accounting program is designed to track inventory. I just needed to learn how to use their system.

The way I keep track is to keep receipts on a monthly basis. For example, if I purchased 5 lots of books during the month, I would add up all the receipts from the purchases and count all the sellable items that I now have. Then I create a single inventory item that has the number of books that I purchased. That inventory item would be labeled something like 1203BOOKS (Books I purchased during December 2003). That's the basis for my SKU numbers so that I can find items quickly when they sell. The first box of books I purchased during December would be labeled 1203.01, the second 1203.02, etc.

Before counting the total number of items you have, look through everything and throw out bad merchandise or any merchandise that you can't sell. When you buy books in lots, you end up with a few that are damaged due to poor packing or just poor merchandise that you don't want to sell.

Set up a non-inventory, cost of goods account. Use this account for the occasional times when you don't have a receipt or when you're selling something that isn't tracked by the inventory program.

All of this may sound complex, but it's really not too bad. The main obstacle is in learning how to operate your accounting software. Again, your accountant should be able to help.

5.02 Inspecting Books

Let me repeat, *don't sell poor quality merchandise*. When you get a new batch of books, go through them and discard any books that have torn covers, water damage, mold and mildew, a lot of marking in them or in any way makes them undesirable. If you wouldn't personally buy it, don't try and sell it to someone else!

Your reputation is all you have online. Nobody comes to your physical store and sees that you have happy customers and clean facilities. If you sell junk online, you

will quickly tarnish your reputation with bad feedback from unhappy customers and you'll have a tough time making money.

While you're going through your merchandise, check to see if a book may be collectible. Look inside to see if the book is a first edition (and first printing), or if there might be an author's signature inside. As you become more familiar with books, you'll start to occasionally see those rare ones that you want to pull out of your pile and take out of your general inventory (these become non-inventory items) so that you can sell them at auction.

5.03 Cleaning

Try to make your merchandise look as presentable as possible. Remember, you want to drive customers to your online store so that you get repeat business. The best way to do that is to make sure you have HAPPY customers.

Purchase a bottle of isopropyl alcohol (rubbing alcohol) from your local drugstore. Before sending any books out, make sure you lightly wipe down the covers of the books with it. It cleans a lot of crud off the covers and usually gives the book a little shine. Be careful though, you only want to clean off covers that are plastic coated. You may have a mess or stain if you try to clean off a cloth or paper cover.

Page through the book and remove anything left inside (paper clips, bookmarkers, etc.). Straighten out any bent corners on inside pages – some people prefer to bend page corners as a bookmark rather than using a real bookmark.

If there are pencil marks, get a good quality eraser and remove them. A lot of times at estate sales, the sellers will mark the books using pencil inside the front cover.

Slowly remove any tags or stickers on the covers. Try to remove as much of these as you can by gently scraping with your fingernail. Then use the alcohol to clean the glue that is left behind.

5.04 Uploading

Now it's time to put your books online for sale. The *SellerEngine* software is pretty straightforward and easy to use. It makes putting books online at Amazon very easy.

(1) SKU

The first thing to do is set your defaults for adding this new set of books. *SellerEngine* automatically increments the inventory number so that each book has a unique ID. I add my location information so that the SKU number tells me where to find the book.

If you recall, the SKU layout I use is 000000-MMY0.00. The program automatically generates the first set of numbers and I add everything behind it. First I put the month and year of my purchase, and then I put the number of the box.

(2) ISBN

Find the ISBN number on the book you are about to enter into the system. It's usually on the back cover but sometimes you will find that it is only on the copyright page.

Now type in the ISBN number, without spaces and dashes.

(3) Condition & Description

Defining the condition of your book is critical. There are many disreputable booksellers out there that describe all of their books "Like New". Don't be like them, be honest with your descriptions and you'll have a lot less headaches with returned merchandise and unhappy customers.

These are the current guidelines that Amazon publishes to help you determine condition:

- *New*: Just like it sounds. A brand-new, unused, unread copy in perfect condition.
- *Like New*: An apparently unread copy in perfect condition. Dust cover is intact; pages are clean and are not marred by notes or folds of any kind. Suitable for presenting as a gift.
- *Very Good*: A copy that has been read, but remains in excellent condition. Pages are intact and are not marred by notes or highlighting. The spine remains undamaged.

- *Good*: A copy that has been read, but remains in clean condition. All pages are intact, and the cover is intact (including dust cover, if applicable). The spine may show signs of wear. Pages can include limited notes and highlighting, and the copy can include "From the library of" labels.
- *Acceptable*: A readable copy. All pages are intact, and the cover is intact (the dust cover may be missing). Pages can include considerable notes--in pen or highlighter--but the notes cannot obscure the text.
- *Unacceptable*: Moldy, badly stained, or unclean copies are not acceptable, nor are copies with missing pages or obscured text. Books that are distributed for promotional use only are prohibited. This includes advance reading copies (ARCs) and uncorrected proof copies.

I discovered a technique that gives your book much more visibility on Amazon without being a nuisance. Many booksellers get upset when a rookie “floods” the listing page with many low-priced listings. What this does is to push other listings off the first page – to a place where customers usually don’t go to look for the book. So, how do you use more real estate to push listings behind you, without flooding the listing page? Easy, you are more descriptive with each book.

Here’s how you can add descriptions without being a bad Amazon citizen:

Publisher: Random House, Incorporated

Date of Publication: 2001

Binding: Hard Back

Edition: Later Printing

Condition: As New/As New

Description: SKU 003124-1203.07 Nice copy, like new.

Make sure you choose the “collectible” rating if your book is a first edition or unique in any way. Don’t rate it collectible if it isn’t!


(4) Pricing

After adding the new information for a book, *SellerEngine* downloads vital information from Amazon. At the bottom of your *SellerEngine* screen you’ll see a list of competitors and what they are asking for comparable books.

Don't use a "cost plus" (cost of the book plus a percentage that you want as profit) type of pricing strategy. Instead, price your books by what the market dictates.

A lot of times you will see novices at work. They don't seem to have any pricing strategy other than to be the absolute lowest priced seller. The condition of the book should drive where you are on the pricing scale. In theory, you should never see a "Like New" book selling for less than an "Acceptable" book – but you see it all the time on Amazon! That's the beauty of *SellerEngine*; it helps you avoid the trap of selling quality merchandise for less than the junk books that others are selling.

If you discover that comparable books are priced very high, stop and do a little extra research on that book. Why is it priced high? A quick check for rarity is to look and see how many of these ISBN numbers are listed on Amazon. *SellerEngine* shows you if there are less than 25 books available. Or maybe the book is collectible only as a First Edition, First Printing. Check your high-priced competitors and see what their description says. If it is truly a collectible, take a quick check on eBay's advanced search engine to see what these books have been selling for. I've discovered that many times these booksellers have absolutely no idea what the market value is so they price their books out of sight hoping someone will bite. Don't do it – if you want to make a living sell those books at whatever the current value at eBay is or else take it off *SellerEngine* and auction it yourself.

Amazon sets a  flag for the seller(s) with the lowest price for that book. Many buyers tend to look only at that flag and buy it without checking to see why it is the lowest priced. Remember, books keep selling all the time so it's okay if there are a couple of unrealistically low-priced books sitting in line to sell before yours. Your books will eventually be the lowest priced and will sell.

You'll find that even though your books are priced higher than others, buyers may still purchase your books due to other reasons including:

- Buyers don't trust unrealistically low prices
- Buyers see your feedback rating is higher
- Buyers are looking for a collectible book that you're selling
- Buyers want to purchase from someone geographically close to them

- You sell internationally

5.05 Weekly Price Check

Pricing is an art form and not a science! Try to review your inventory on a weekly basis to see if any changes are needed. There are many times where you will raise prices because you are now the lowest seller and the seller above you has raised their price. If you can raise your price, you make more profit without any added cost.

DON'T LEAVE MONEY ON THE TABLE!

(1) Penny Sellers

Don't get suckered into pricing your books too low just to sell them, you're in business to make money and not to "stay busy" selling and packing books without making much profit.

This is where the infamous "penny sellers" come into play. These folks try and make a living by selling in huge volumes with unreasonably low profit margins. They literally price their books at 1 cent in the hopes of making their income off the shipping and handling.

If you buy a paperback book (because it's light and costs less to ship) for 25 cents, sell the book for 1 cent, and pay about .35 for shipping materials, you can avoid paying Amazon commissions on the sale (Amazon still charges the buyer \$3.99 for shipping and pays you \$2.26 to ship it. Amazon makes a minimum of \$1.73 per book without making a commission or doing anything!) You get paid \$2.26 for shipping, deduct \$1.40 for postage, the 25 cents you paid for the book and the 35 cents you paid for shipping supplies, and you are earning about 26 cents per book. You need to sell a LOT of books to make any kind of living.

(2) Weekend Warriors

There are many part-timers who sell books online but can't update their inventory until the weekend because their fulltime jobs take up all their time.

I find that I need to review my inventory in the early part of the week because these people add inventory and make their pricing corrections during the weekend.

It seems that each time I go in and update my pricing I generate new sales.

(3) Wait For Lowest Priced To Sell If Too Low

Remember, you are selling books to a marching band – each time you look there will be new buyers in front of you. If you price your books fairly, the under-priced books will be quickly sold and the reasonably priced books will become the current lowest priced books. If you want to make this a long-term career, patience is definitely a virtue.

There will be times when you are just tired of having the same book around. If you look at the sales rank of the book, you may find it doesn't sell very often. For those books you may want to sell at the lowest price just to clear up some shelf space.

(4) Get Book To First Page Of Listings

You want to make your books as visible to buyers as possible in order to sell them. To do that, you should try and get your book to show up on the first page of the Amazon listing. I try not to discount my books too much. If there are 5 lowball priced books before mine, I'll wait patiently for those folks to sell their books without a reasonable profit.

When reviewing each book, look at your price and condition and decide one of three things:

1. Do you want to stay in the selling position you're currently in?
2. How much are you willing to pay to move up in the rankings?
3. How long are you willing to wait to make more profit?

As an example, if my book is the 4th in line to becoming the lowest priced book available, and it costs me 5 cents (I lower my price by 5 cents) to move ahead of everyone in the listings, then I'll probably do that. I'll almost always price my book

1 cent below the price I want to be ahead of – after all, why give up profit when all you want to do is move up in the rankings?

If it costs me a dollar to move up, more than likely I will opt to wait for the cheaper copy to sell. If the seller who is located behind the seller that is behind me (2 back) is priced significantly higher, I will probably relinquish my space and move back to just below the higher priced seller so that I can make a lot more profit. I'd rather sell a few books with reasonable profit than a lot of books with very little profit.

Chapter 6 The Amazon Sale

This chapter shows how you receive orders on Amazon and how you fill the order. Make sure you protect your seller rating – a rating that Amazon places next to the book you're selling that tells buyers how reputable you are. The procedures I describe below will help keep a 5 star rating.

6.01 Receive An Order

Amazon sends a series of emails to guide you through the sales process. The basic notifications are:

1. You have a potential buyer
2. The buyer made a purchase
3. The book has been removed from the Amazon database
4. They have sent your earnings

(1) You Have an Amazon Marketplace Buyer

The first thing that happens to indicate you have an order is you receive an email from Amazon with a subject line that says, “You Have an Amazon Marketplace Buyer!”

You don’t do anything at this point because the funds have still not been approved and you don’t have any of the pertinent information to act on. It’s Amazon’s way of giving you a “heads up”.

NOTE: Amazon has recently changed this policy so that they send this email only if you sold something from your zShop, they no longer send this email for a standard Marketplace sale.

(2) Your Amazon.com Sale Remains Pending

There are times when a buyer places an order and then has their order placed on hold because their credit card information isn’t current so Amazon can’t complete the sale. The buyer may leave their computer for several days before checking back and seeing they need to update their information. At that time they may choose to cancel their order.

There are also times when people are trying to steal your books by using a stolen credit card. These orders never get processed.

When you get this message, you must take your book off the selling block for 3 full days before you can relist the item for sale again.

Here’s what one of those notices looks like:

```
Dear seller@yourcompany.com,  
We're writing to let you know that payment from the  
buyer for the  
following item(s) has been delayed:  
Quantity Item 1 Snows of Kilimanjaro [DVD] (2001) King,  
Henry; Peck, Gregory; Hayward, Susan..
```

The buyer's credit card must be updated before the transaction can be completed; we have already contacted the buyer to resolve this matter.

We expect to receive payment shortly, and will contact you as soon as that happens. Please continue to reserve this item for the buyer, but DO NOT SHIP it until you receive confirmation from Amazon.com that your payment is secured.

If 72 hours pass from the time the purchase was made and you have not been notified of payment, you are welcome to consider the transaction void and resubmit your listing. When necessary, relisting is done via your Seller Account--once there, just click on "closed" items under "Your Inventory," then click "Relist this item." Your Seller Account is located here:

<http://s1.amazon.com/exec/varzea/subst/your-account/manage-your-seller-account.html>

Because Marketplace fees are assessed only when payment is secured, no closing costs have been charged for this sale. Here are the details of your sale:

Order number: 058-3032306-6481142

Item name: Snows of Kilimanjaro [DVD] (2001) King, Henry; Peck, Gregory; Hayward, Susan...

Listing ID: 0425H276675

Quantity: 1

Purchase price: \$6.33

Thank you for selling with Amazon.com. Our apologies for any inconvenience caused by this delay--we hope it is resolved quickly. Amazon.com Customer Service

<http://www.amazon.com>

(3) Sold -- ship now! SKU-000441-6.7 Black Beauty

The email you act on will have a subject line similar to this:

Sold -- ship now! SKU-000441-6.7 Black Beauty (Illustrated Library for Children) [Hardcover] by Sewell, Anna...

The email itself gives you a lot of information that is used to process the order. Here's an example of an order:

Dear seller@yourcompany.com,

Your Amazon Marketplace sale is official! We've deposited your earnings from the sale of this item into your Amazon Payments account.

Please ship item immediately via media mail.

1 of Black Beauty (Illustrated Library for Children) [Hardcover] by Sewell, Anna...

You have agreed to ship no later than two business days after the buyer's purchase on 26-Jul-2003.

Important--Prepare Your Packages With Care. See our guidelines:

<http://www.amazon.com/exec/obidos/tg/browse/-/1161254>

Here is your buyer's shipping address (use your own address as the return address, and enclose the packing slip in this e-mail for your buyer's reference):

Shipping Label

- - - - -

Buyer Name

Buyer address

City, ST ZIP

- - - - -

PACKING SLIP:

Amazon Marketplace Item: Black Beauty (Illustrated Library for Children) [Hardcover] by Sewell, Anna...

Listing ID: 0313H547090

SKU: SKU-000441-6.7

Quantity: 1

Purchased on: 26-Jul-2003

Shipped by: seller@yourcompany.com

Shipping address:

Ship to: Buyer Name

Address Line 1: Buyer Address

Address Line 2:

City: City

State/Province/Region: ST

Zip/Postal Code: Zip

Country: USA

Buyer Name: Buyer

Here are the details of your completed Amazon Marketplace sale:

Order #: 058-8881045-3269169

Listings: 1

Total Item Count: 1

Listing 1: Black Beauty (Illustrated Library for Children) [Hardcover] by Sewell, Anna...

<http://s1.amazon.com/exec/varzea/ts/exchange-glance/Y02Y4169042Y6366759>

Listing ID: 0313H547090

SKU: SKU-000441-6.7

Quantity: 1

Buyer's Price: \$16.98

Buyer e-mail: buyer@theiremail.com

Time of sale: 26-Jul-2003 14:52:47

Shipping method: media mail

Amazon commission: (\$2.55)

Additional shipping credit: \$2.26

Your earnings (in your Payments account): \$16.69

You may view the details of your listing at zShops:

<http://s1.amazon.com/exec/varzea/ts/exchange-glance/>

Note: Amazon.com is crediting you \$2.26 in addition to

your net sales price to help cover shipping costs. This amount is adequate to cover standard shipment of most items (remember to send books, CDs, DVDs, and videos "USPS Media Mail" to secure rates of 1.42 for one pound items, 1.84 for two pound items, and 2.26 for three pound items). You are required to ship this item even in cases that the shipping credit does not fully cover your shipping costs. Funds in your Payments account are automatically transferred to your checking account every 14 days. To view your transaction status at any time, search your Payments transactions:

<https://payments.amazon.com/exec/login?c=A3DHJT3HVJD2Z>

4&t=3&o=4

ABOUT YOUR PAYMENT:

If you haven't already provided us with your checking account information, please do so at your earliest convenience. Amazon Payments CANNOT DISBURSE funds to you until you provide routing information for your checking account. To do so, simply follow this link:

<https://payments.amazon.com/exec/login?c=A3DHJT3HVJD2>

Z4&t=6&o=4

NOTE: Sellers agree to ship within two business days of purchase. Failure to ship immediately is grounds for negative seller feedback, revocation of shipping credits,

and even suspension of a seller's account. In the rare and unfortunate case that you cannot provide the item that you have sold, you can issue a full refund by completing the following steps:

1. Go to your Seller Account.
2. Click on the "Manage your Amazon Payments account" link.
3. Click on the "Search your Payments transactions" link and sign in.
4. After signing in, set the parameters for your search (15 days is the default search). Press the search button to display your transactions.
5. From the resulting list, click on the transaction ID that you would like to refund.
6. Click on the Refund Buyer link to issue the refund.

Congratulations on making this sale. We're delighted with your success.

Amazon.com Customer Service

<http://www.amazon.com>

NOTE: If you have questions about this order, reply to this e-mail to get in touch directly with your buyer. For more general questions, you may find answers to those questions here:

<http://www.amazon.com/exec/obidos/subst/help/desk.html>

NOTE: Consumer electronics, computers, kitchen items and video games can only be shipped to destinations within the United States. Other merchandise can be shipped only to the following countries: Australia, Belgium, Brazil, Canada, Denmark, Finland, France, Germany, Hong Kong, Iceland, Ireland, Italy, Japan, Republic of Korea, Mexico, Netherlands, New Zealand, Norway, Portugal, South Africa, Spain, Sweden, Switzerland, the United Kingdom (England, Northern Ireland, Scotland, and Wales), and the United States (including U.S. protectorates).

(4) The sale of your item has ended.

The last email you get is when the book has been removed from the Amazon database. This lets you know that the item is no longer for sale.

Here's an example of that email:

```
Dear Seller,
Greetings from Amazon.com. Your listing, Snows of
Kilimanjaro [DVD] (2001) King, Henry; Peck, Gregory;
Hayward, Susan..., has closed. You've received
notifications about purchases at the time they were made.
To view your listing, follow the link below:
http://s1.amazon.com/exec/varzea/ts/exchange-glance/
Listing Details:
-----
Item title: Snows of Kilimanjaro [DVD] (2001) King,
Henry; Peck, Gregory; Hayward, Susan...
Listing ID: 0425H276675  SKU: SKU-001180-0403.14
Price: $3.84
Quantity remaining: 0
Total quantity sold: 1
Listing closed on: 07/09/2003 12:21:14 PDT
Shipping terms: Buyer pays
-----
If you have questions about listing an item, visit our
Seller's Guide at:
  http://www.amazon.com/exec/obidos/tg/browse/-/537872
Thanks for visiting Amazon.com!
Amazon.com
Earth's Biggest Selection
http://www.amazon.com
(This message was sent to you by an automated e-mail
system. Please don't
reply to it.)
```

6.02 Get The Book

Now that you have the order in hand, it's time to fetch the book and clean it up.

Look at that subject line in the email again:

Sold -- ship now! SKU-000441-6.7 Black Beauty (Illustrated Library for Children) [Hardcover] by Sewell, Anna...

In this case I know that I have to find my crate labeled 6.7 (this is my old labeling system – once your books are in inventory it's very hard to change over from one system to another). Inside of that crate is a hard covered book entitled Black Beauty.

The first thing to do is go back to the email notification and click on the link to that book listing located in the *details of your completed Amazon Marketplace* section. This link opens your web browser and takes you to your book listing on Amazon. This allows you to verify that the book in your hand matches the description you gave it online. There are times when you may have multiple books with the same title and different condition – so be sure that the book you have in your hand is the same one the customer bought!

6.03 Inspect The Book

This is a marketing game – we want our merchandise to be perceived as having a very high value for the amount paid for it.

Flip through the book's pages and remove anything you might find inside – paperclips, old newspaper clippings, bookmarks, etc. If you find pencil marks, erase them with a high quality eraser that doesn't leave skid marks behind. If you find bent corners, straighten them out. If you find missing pages, you must notify the buyer and cancel the order.

Remove any price stickers by gently peeling them off the book. Sometimes you will need to soften them up by putting a little rubbing alcohol on them and then picking them off with your fingernails.

Clean plastic-coated dust jackets or covers with isopropyl alcohol that you can buy at your local pharmacy.

If the book is a hard cover with a dust jacket, and it sells for more than \$10, I usually put a plastic dust jacket cover on it. These dust jacket covers cost me less than .20 cents per cover. It gives the book a “like new” appearance and helps secure those higher ratings and higher perceived value. Check my website for the cover I'm currently using. For cheap books, I just clean them up and sell them “as-is”.

There are times when you get a book in your hands and something happens to it. I've had a paperback book, which looked new, literally split in two when I opened it up. I've also had textbooks that were not the same edition as the Amazon listing. Then you must notify the buyer to make sure they know what edition they are about to purchase. If they are unaware of the different editions and want the most current one, graciously cancel their order and credit their account.

For those times when things go wrong and you don't have a book to sell anymore, or you need to verify that a book is acceptable before you ship it (like an older textbook), you will need to contact the buyer. I've found at these times the buyer is very responsive if you are apologetic, but businesslike, for merchandise that is not up to your standards.

Here's an example of an email I sent with a book that broke:

```
Hi,  
I'm terribly sorry for the inconvenience but the book you  
ordered, Bo Knows Bo, literally broke in two at the  
picture section when I opened it up!  
I've sent a refund request to Amazon in the amount of  
$9.44.  
Again, sorry for the inconvenience.  
Larry  
P.S. Here's a link to the Amazon page you ordered from.  
http://www.amazon.com/exec/obidos/tg/stores/offering/list  
/-/0515107417/all/ref=olp\_tab\_all/103-6754867-1750230
```

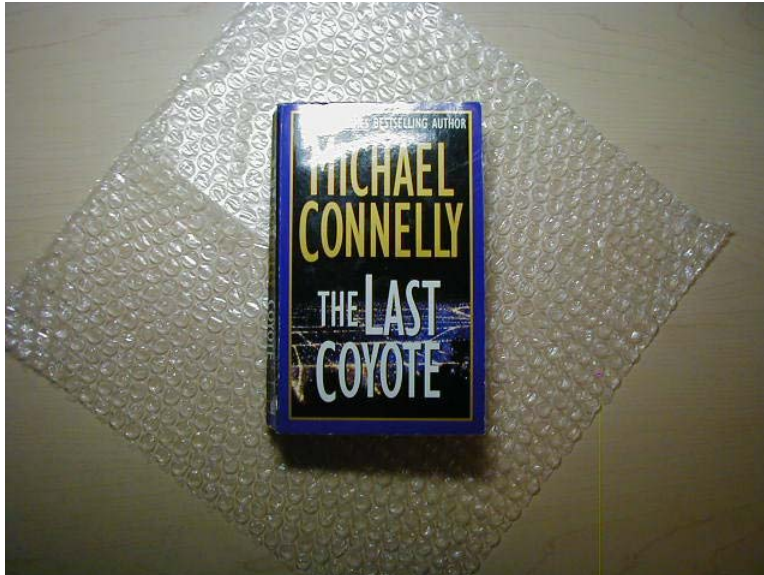
Remember, the goal is to be cordial and professional so that you keep your seller ratings up and keep customers coming back.

6.04 Package The Book

I use different supplies to package books, depending mostly on how it is going to be shipped (media mail, first class mail, international mail, etc.). Whatever method you choose for packaging a book, always use clean packaging materials.

(1) Wrap Book

Start by wrapping the book in clean bubble wrap. A paperback book uses one 12" x 12" sheet while a hard cover book usually uses 2 sheets.

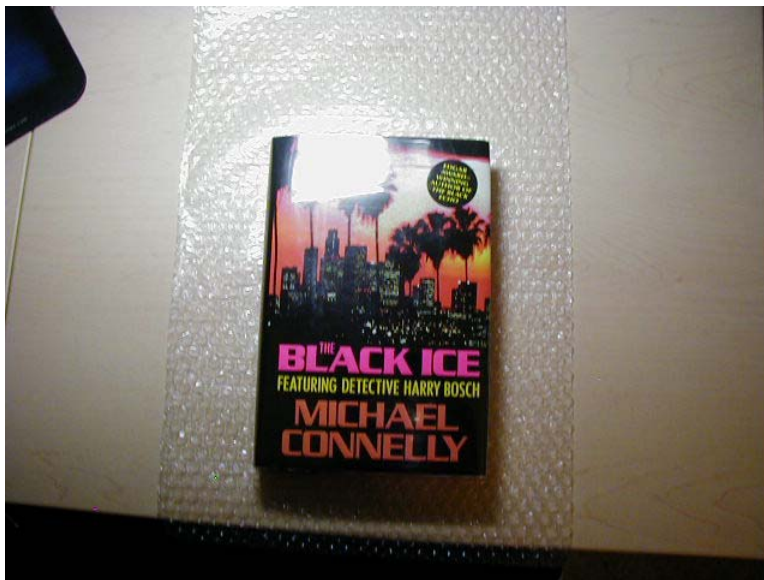


For a paperback book, wrap the book at an angle and tape it. Then wrap the other ends and tape it.





For a hard covered book, wrap the book end to end first. Now tuck in the ends, like you do a birthday present, and tape shut.





(2) Create Packing Slip

Now create a packing slip to put inside with the book. Remember the email that notified us of our sale? That email has a section in it that says “PACKING SLIP” on it. This is what it looks like:

```
- - - - -  
PACKING SLIP:  
Amazon Marketplace Item: Child Development: Its Nature  
and Course [Hardcover] by Sroufe, L. Alan...  
Listing ID: 0222W915924  
SKU: SKU-000209-4.3  
Quantity: 1  
Purchased on: 29-Apr-2003  
Shipped by: seller@yourcompany.com  
Shipping address:  
Ship to: Buyer Name  
Address Line 1: Buyer Address  
Address Line 2:  
City: City  
State/Province/Region: ST  
Zip/Postal Code: Zip  
Country: United States  
Buyer Name: Buyer Name  
- - - - -
```

Some sellers like to just print out that email and take a scissors to the packing slip section. I try to make it look more professional by copying that packing slip information to a text editor and printing out a full page.

(3) Book Mailer

I mostly use white, 9" x 12" *Tyvek™ Peel & Seal Envelopes*. I have found these envelopes work extremely well compared to the other paper and plastic products out there. The goal is to get a low cost, durable and water resistant method of sending your books.



The only modification I make to this mailer is that I put an additional piece of clear shipping tape at the bottom edge – where they have glued the seam together.

I also keep a supply of larger, white 10" x 13" envelopes of the same kind for those times when my book is just a little too big to fit in the smaller bag.

Lastly, I keep a small supply of boxes for those really expensive books where I want maximum protection or for those textbooks that are often big and heavy.

(4) Put Wrapped Book In Mailer

Now it's time to put the bubble-wrapped book into the shipping mailer.

Position the book in the mailer with the spine lying down at the bottom of the bag. Fold and slide the Packing Slip into the bag with the book.



Now remove the sticky tape backing and fold the bag tight over itself. Use your shipping tape to run a strip across where the envelope flap stuck to the shipping bag. Then put a small strip of tape on each side of the bag to make a nice, tight bundle.



That's all there is – all you need now is the shipping label and postage.

(5) Expedited Mail

There are times when a buyer requests, and pays extra for, expedited delivery. In these cases package the book the same way but use a United States Postal Service (USPS) Priority Mail box instead. These boxes, and USPS Priority Mail shipping tape, are available free of charge from the post office for customers who use their premium services.

There is usually a gap around the book once the book is in the box so save clean packing “peanuts” from other items you receive (like when you order shipping supplies) and put them around the book inside the box.

One important note, **DO NOT USE USPS SHIPPING SUPPLIES (like their tape and boxes folded inside out) FOR STANDARD MAILINGS!** This is illegal, and considered completely unprofessional since you are actually trying to pass on your business costs to taxpayers.

(6) International Mail

The US Postal Service provides free shipping supplies for customers using their premium Global Priority Mail service.

6.05 Postage And Labels

You have agreed with Amazon to send your shipments out within 2 business days. Stay professional and mail out items within a few hours if you can. There are occasions (usually on holidays or weekends) where you might actually get close to using the 2 full business days, but those times are few and far between.

(1) Put Buyer Information In Contact Manager

The first step to creating a mailing label is to add your buyer’s information to your contact database (Microsoft *Outlook*). The *Ship Now!* email contains everything you need to know about the buyer, including name, company name (if listed), address, city, state, zip, email address and country.

(2) Run Postage Program

Now, start your *Dazzle* program, the one that you installed when you signed up with Endicia for online postage. Choose the Address Book tab and then select the name of your buyer. Now press the Zip button to make sure the address is a valid address – the program won't allow you to print postage if the address hasn't been verified.

Weigh your package on a postal scale. If the order requests media mail, just plug in how much your package weighs (in 1 pound increments). Then switch to the Design view and print postage. Now just put your labels on the package. Finally, if it's going via media mail, you must identify the package by putting "Media Mail" on the package. I bought a red "Media Mail" stamp for this purpose.

I use a Dymo label printer with 3-part labels. The 3 parts include a shipping address (with your return information on them), the postage label and a shipping confirmation label.

You will want to check the cost of First Class vs. Media Mail for light packages. Sometimes you can actually save money by sending it First Class when they requested media mail – plus the customer is more happy because they view it as a free upgrade (you see this all the time with people selling DVD's).

(3) Delivery Confirmation

Make sure you ALWAYS use delivery confirmation. There are times when people try to take advantage of you by ordering a book and then claiming they never received it. They then get a refund from Amazon and keep your book free of charge.

With delivery confirmation you can tell them when they received their book. If there is still a disagreement over having received it, you can turn them over to Amazon. As long as you have a proof of delivery, Amazon will handle any claims about lost packages and reimburse the customer if they need to.

(4) International Mail

There are some situations you need to be aware of when sending items internationally. The postal services of other countries don't work nearly as efficiently as our own. Here are some pointers:

1. Use a Global Priority envelope to send your books. These are airmail packages that are a fixed price but you must fit your item into their envelope. The small envelope (about 10" x 6") usually costs \$5 while the next larger size (about 12 ½" x 9 ½") costs \$8.

Before I found out about these I managed to damage my seller rating. I sent 2 books to Australia within an hour of receiving their orders. Due to the cost of shipping, and the fact that the buyer asked for media mail, I sent them via surface mail (ship). Those packages took almost 2 months to reach their destination and my buyers were very angry. They had ordered books from other sellers and they received their books within a week (that's when I found out about the Global Priority Mail) and mine were nowhere to be found.

2. You must always fill out the USPS Customs Declaration Form 2976. Pick up a few extra the next time you're at the post office and fill it out at home before you deliver your international package.
3. Be careful when listing your book on Amazon. If you choose to sell very heavy or oversized items (textbooks, coffee table books, dictionaries, etc.) you could be in for a rude awakening. Make sure you choose to NOT sell these books internationally or expedited mailing.

I once sold a Corporate Controllers handbook to a customer in Europe for \$18 and received \$8 from Amazon for shipping it. I went to the post office and it cost me \$27 to send it the cheapest way (surface mail – slow boat). I spent an hour at the post office and sent it out for a profit of minus \$1. Even though I lost money, I honored my agreement and sent the book in order to keep a good reputation.

I suggest you try and limit your overseas sales to paperbacks due to the fact they are lightweight and fit inside a mailing envelope.

(5) Final Cleanup

After you've mailed out your package you need to complete the sale. The first thing to do is email your buyer and let them know that the book has been sent and thank them for their business.

I cut and paste the delivery information from the *Ship Now!* email into my own email. I send my email to the buyer with the subject line *Shipping Confirmation*.

Here's a copy of my email notification.

Thank you for your order.

Please visit my online store at
www.amazon.com/shops/your_store.com

This email confirms that the below items have been shipped.

Here are the details of your completed Amazon Marketplace sale:

Order #: 058-1937303-7931563

Listings: 1

Total Item Count: 1

Listing 1: The Millionaire Mind [Paperback] by Stanley, Thomas, Ph.D.; Stanley, Thomas J.

<http://s1.amazon.com/exec/varzea/ts/exchange-glance/Y03Y5163729Y5316435>

Listing ID: 0205A129631

SKU: SKU-000021-1.2

Quantity: 1

Buyer's Price: \$5.95

Buyer e-mail: buyer@theiremail.com

Time of sale: 08-Feb-2003 12:49:59

Shipping method: media mail

Please contact us if we may be of further assistance.

Thank you,

Silvernail Trading Co.

=====

Please read - IMPORTANT NOTE!!

=====

Your order SHIPS FROM US within 1-2 business days.

This DOES NOT MEAN that you will RECEIVE your order in 1-2 business days!!

The US Postal Service delivers media mail in 4-14 BUSINESS DAYS. Amazon

processes claims only if you have not received your order after 30 days

from date of your purchase. Here is the link if you don't receive your order:

<http://s1.amazon.com/exec/varzea/subst/help/buyer-refund-request.html/102-0723552-2452104>

Also notice that I have left a message on the bottom of this email that sets expectations for buyers that request media mail. If you can believe it, some buyers think that when Amazon states that the books ship within 48 hours they actually expect it to arrive at their house in 48 hours!

The web link sends them to the Amazon site guarantee page if they don't receive their book in a timely fashion

Now open up *SellerEngine* and go to the SKU number that you just sold. Highlight the item and delete it from your database. If you have multiple quantities of this book, just reduce the quantity that you sold so that it matches the actual inventory that you have.

Your sale is complete!

Chapter 7 Supply Ordering

You can order all of your supplies online or you can go to your local store and find comparable items. This list shows what I use. Stop by my website at www.tipsonbookselling.com to see where I am currently getting them.

- 9" x 12" white, open end Tyvek™ Peel & Seal™ envelopes
- 10" x 13" white, open end Tyvek™ Peel & Seal™ envelopes
- Bubble Wrap 12" x 175'
- Clear Premium Grade Carton Sealing Tape 2" x 55 yds
- Black Letter/Legal Crate (for book storage)
- 3M Scotch® Premium Heavy-Duty Dispenser And Sealing Tape Set, Clear, 2" x 55 Yd
- DYMO LabelWriter 330
- DYMO Postage labels with Delivery Confirmation
- Dust Jacket Covers
- Plastic Bone Folder (To fold cover into place)
- Postal Scale
- Media Mail Stamp
- First Class Stamp

Chapter 8 eBay Auctions

There are times when you need an alternative method of selling your books. When Amazon or Half doesn't have an ISBN that fits your book, you can't list it with them.

8.01 Creating An Auction

After you have signed up with eBay, you can create and run auctions by simply filling out their auction submittal form. If you intend to sell a large quantity of items this way, then you may want to look into auction tracking software.

(1) Use Good Pictures

Buying used goods is entirely different than buying new goods. If an item is new, the person expects an unblemished, brand new, item.

On the other hand, most of the books we'll be selling online are NOT new, they are used. That means buyers need more information in order to make an informed buying decision. And the primary way of getting that information to them is to have good quality pictures available for them to look at online.

The best way to get good pictures is to use a digital camera. Since the pictures will be used for online purposes only (not for photos for a book) you can get by with a cheap camera. Then shoot your pictures at the **LOWEST** resolution that is available and you'll find that the pictures look great online and that they load relatively quickly.

You want the page with your item on it to display quickly so that potential buyers don't get tired of waiting for pictures to load and go to the next listing instead. The best way to do this is to have "thumbnail" pictures on the page that load quickly, and

if a buyer wants more information they can click on that picture and get a more detailed, larger picture.

When I take pictures of a book, I usually have some combination of these:

- Front Cover
- Back Cover
- Spine
- Dust jacket taken off and lain flat
- Front cover w/o dust jacket
- Back cover w/o dust jacket
- Spine w/o dust jacket
- Title page
- Copyright page (shows edition and number lines)
- Top view while standing on table (shows spine and warping)
- Bottom view (shows remainder marks)

(2) Proper Title

You need to make absolutely sure that you spell out the author and title of your book fully and correctly in the title. People tend to search for specific book titles and authors, so a typo here can really hurt the number of potential buyers for your book.

As an example, I was recently looking to buy a book entitled “The Black Echo” by Michael Connelly. I typed in “The Black Echo” and received a few hits at very high prices. I was distracted while searching and typed “Black Echo” and discovered an orphan listing where the seller dropped the “The” out of the title. There was hardly anyone bidding on this book and I was able to purchase it very inexpensively.

(3) Describe properly

Be absolutely truthful in describing what you have. It will cause you a lot less aggravation when the buyer has your book in front of them.

Provide as much information as possible about the book itself; title, copyright date, edition, author, publisher, etc.

Be fair in describing the condition of the book. Remember, if the book is 100 years old its condition is rated differently than a book that's 5 years old. If the pages are damp-stained or the book has remainder marks, let potential buyers know.

(4) Start Auction Time

There are many theories about the best time to start an auction. The goal is to have your auction viewed by as many people as possible during the auction's run.

I believe that the greatest number of potential buyers occur over the weekend. That means that you want the auction to run through "prime time" on Sunday and then to end with a winner. If you time it to end at 8 PM Pacific Time, it will be 11 PM EST and you will hit most everyone in the US.

Since the auction can be a 3-day, 7-day or 10-day run, you will have to do the calculation to decide what day and time to start your auction so that it ends at the time you want.

(5) Use HTML software

The online eBay auction submittal form is used to put items up for auction one at a time. If you use their form you type in the description of your item and they format it so that it shows up as plain text on screen. I've found that I like to create my own layout so I need to write my descriptions using HTML (the language used by Internet Browsers) so that I can achieve that goal.

I use Microsoft FrontPage to simplify my life. There are many good, and some free, HTML editors out there but I chose to use FrontPage because I'm familiar with the program. It lets me create a web page using a WYSIWYG (What You See Is What You Get) interface so that I can lay out how I want everything to look. Then I click a

button that switches over to HTML mode, I copy the HTML code, and then paste that code into the eBay description box.

(6) Use bid tracking software

If you plan to do a large volume of eBay auctions, I recommend using tracking software that lets you set up auctions easily and you can copy auctions to create new ones.

eBay has a program called *Seller's Assistant*. This program is automatically updated each day to show you any changes eBay made to categories, etc. They charge about \$10 a month for the basic program – unless you're doing a really high volume of eBay sales there is no need for the more expensive versions they offer. The disadvantage is that it costs you about \$120 per year for the service whether or not you use it.

I use a free program called *Auction Submit™* by EZ Time Software. This program saves me a lot of time by providing most of the features of eBay's *Seller's Assistant* without having to pay an ongoing subscription fee.

The way I figure it, eBay is getting plenty of money out of me for using their auction service without me giving them any more money so that I can be even more prolific in setting up auctions where they get paid by me!

There are other fee-based services out there. Some of them have storefronts and image storage facilities that you might find useful.

(7) Bold, Highlight, Etc.

I like to keep the cost of my auctions to a minimum. I've found that most of the options that eBay charges extra for don't really add much other than taking cash out of my pocket. The main add-on that I use is bolding of the title so that my book stands out from other mainstream books.

I've experimented with using different features and have found that my sales are not influenced that much by the various options. You aren't like most of the eBay sellers; you are offering unique items that aren't offered through standard channels

(Amazon, Half, etc.). You aren't trying to convince someone to buy your book – they are already searching for it.

If you have a book that is really rare, like when you find one selling in the \$300 or more range, then it might be worth showcasing the book in order to get the maximum visibility.

8.02 Check Your Book's Value

I usually have no idea what the market value of a particular book is. In order to determine what a legitimate price is, I go into the advanced eBay search and look for items of that title that have sold recently.

If there have been no sales of that title recently, I will create a “favorite search” on eBay and have them email me when there is a listing. Then I watch it and see how well it sells.

If it sells for a good price, I check their listing for:

1. What title did they choose?
2. Did they choose to use bolding or other special features?
3. What category is it listed under?
4. How did they describe it and is my book as good as this one?
5. What kind of photos did they have?
6. Was there a bunch of bidding activity, indicating a lot of interest?

8.03 Types Of Auctions

There are various ways to sell on eBay, depending on your personal preferences.

(1) Fixed Price

If you know how much you want for your book, you can run an auction as a “Buy It Now” with the price you want. If a person places a bid, they have instantly purchased your book.

You can use this in conjunction with a standard auction if you like. That way, if someone wants to buy it immediately they can, and if they want to try and get it for a lower price they can offer the lower price to open the bidding, which eliminates the “Buy It Now” option.

(2) Standard Auction

Use this auction if you want to see what the market is willing to pay for your book. You will want to keep the opening bid to less than \$9.99 in order to keep the cost of the auction to a minimum. If there is only one bid on your book, and it is at your opening price, they will win your auction as soon as the auction closes.

(3) Reserve Auction

Use this type of auction when you want to make sure that your book doesn't sell until the bid is at least as much as you want for the book. If you found comparable books selling for \$300, you surely wouldn't want to set up a Standard Auction with a \$9.99 opening bid. Bidders might miss your book listing that week and all of a sudden you're out a couple of hundred dollars.

This type of auction carries a penalty by eBay however— they charge you an additional fee of about 1% of the reserve price in addition to their insertion fees and their final value fees. You must pay this one even if your book doesn't sell.

8.04 When Should I Start My Auction?

The standard auction duration runs 7 days but you can choose to run it 3 days, or you can pay slightly more for a 10-day auction.

Chapter 9 Final Thoughts

It's been very interesting writing this book. Until you try and describe to someone else what you are doing, you don't realize the complexity of what you have.

9.01 Half.com

When Amazon doesn't have the ISBN for an item you're selling, try selling it on eBay's Half.com. Just open an account and you can sell items on their site just like you can on Amazon. The only problem is that you need something like 10,000 books in order to use their batch load system, so adding books and tracking them is a pain in the neck. But it's a good place to go if you can't sell it on Amazon - and if you can't sell it here you can always sell it on eBay.

9.02 Diversify

This business is like any other business; you have busy and slow times. It's very easy to get discouraged when your sales drop off and you start to find all kinds of reasons for it. Some folks selling on Amazon believe in a "cycling" theory where they figure that lack of sales has more to do with Amazon cycling (turning on and off) your listings so that buyers can't always view them, rather than them having merchandise that isn't wanted or pricing that is out of line.

I decided to diversify and have been happy with my results. I now sell DVD's in addition to books. I use the same accounts and software as with the books so it isn't too far out of line. If I wanted, I could offer most anything that Amazon sells.

The point is that if you diversify, you will more than likely keep sales flowing.

9.03 Add-On Advertising

I've found that I can use my book sales to add on additional moneymaking opportunities. I currently include a flier in each of my book orders that provides an opportunity for customers to buy another product.

Maybe you have a local store that wants to pay you a commission on sales you generate by putting their one page flier in with your book order. If your customer orders something from them, you get a commission.

9.04 Bookseller Community

There are many places online to share ideas about what books are hot, what pricing should be, etc. I personally go to the seller communities on Amazon and eBay on a weekly basis. You can ask questions of more experienced sellers or read the ramblings of those that have some beef.

These are entertaining to read through, but don't put too much stock in the naysayers. Like every other business, there are sellers that are tired with their business; people are going to stop reading books, everything is going to be read online, the penny sellers are going to kill prices, and on and on.

9.05 Vacations and Moving

This is a great business for those who want to take vacations, or you live in the south US in the winter and north US in the summer, or you just want to have the freedom to move without losing your business.

All you need to do when you want a little time away from your business is to turn on your vacation setting on Amazon. Just tell them when you won't be working and your books are made unavailable to the rest of the world. Be aware that it may take a couple of days to get all your listings back online when you come back. You may want to log into your Amazon account a couple days before heading home so that your store is fully open when you get home and you are doing "business as usual".

Without having a "brick and mortar" store, you can move about without losing customers and without impacting your business. If you physically move, just put

your accounts on hold while you relocate. When you get your new email and service provider information, update your settings and then turn the vacation switch back on. You're ready to go again!

9.06 Don't Get Discouraged

Don't get uptight when you don't get a sale for a few days. People buy in cycles – just like you. For textbooks, sales tend to ramp up a few weeks before college starts. For other books, people tend to read more in the winter (when they stay inside) than in the summer.

Take the time to test selling other items like DVD's and games. Also, make sure you stay on top of your inventory to make sure it's priced competitively. On those days when you get really bummed out, get out of the house and go to an estate sale. It will do wonders for your attitude.

9.07 Good Luck

I wrote this with the hope that you can now have the strategies and ideas necessary to run a successful bookselling business. There is still a lot of hard work involved in getting everything set up and running efficiently. It will feel clumsy at first, but the more you work the easier it gets.

Visit my website at www.tipsonbookselling.com to see if I have discovered any better ways of bookselling and to see if there may be better sources for your supplies.

Feel free to email me with any questions or clarification at Larry@tipsonbookselling.com and I will try to answer you promptly.

Thanks for purchasing this book and Good Luck!

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