



2008

# How To Turn Your eBay Hobby Into a Business

eBay Live! 2008

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*The Complete Idiot's Guide to  
Starting an eBay Business*

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# Agenda



- Setting Up Your Business
- Running Your Business
- Growing Your Business
- Takeaway
- Q&A

# Setting Up Your Business



- Make the decision to run your eBay activities as a business
  - Mental approach, not numbers
  - Benefits of being in business
  - Tax breaks

# Setting Up Your Business



- Make it official
  - Consider forming a business entity
  - Set up a business bank account and credit card
  - Register for PayPal

# Setting Up Your Business



- Create your ideal home office
  - Location
  - Equipment
  - Storage

# Setting Up Your Business



- Put systems in place to handle business matters
  - Inventory system
  - Accounting system
  - Listing system
  - Tracking and sales management system
  - All-in-one sales tools



# Running Your Business

# Running Your Business



- Create great listings
  - Magic number: 55
  - *Don't* waste characters
  - *Do* pick the correct category
  - *Don't* misspell your item
  - *Do* write complete and accurate listings
  - Use pictures
  - Terms of sale (e.g., return policy)

# Running Your Business



- Price things right
  - Compare prices on/off eBay
  - Impact of price on listing fee
  - eBay Giving Works

# Running Your Business



- Create a supply chain
  - Deciding what to sell
    - Prohibited items
    - Storage/shipping issues
  - Sourcing options
  - Shipping options

# Running Your Business



- Handle customer issues and develop your own customer base
  - Address customer issues
  - Optimize feedback
  - Build a customer database
  - Communication is key

# Running Your Business



- Reporting your profits and losses
  - Reporting income
  - Claiming deductions
  - Hobby versus business to the IRS
  - Other taxes
    - Self-employment tax
    - Sales tax



# Growing Your Business

# Growing Your Business



- Use multi-channel selling
  - Goal: Drive traffic to/from eBay
  - eBay stores
  - Your own Web site
  - Brick-and-mortar store
  - Becoming an eBay Trading Assistant

# Growing Your Business



- Stay on top of things
  - eBay resources
  - Online newsletters and alerts
  - Big Ideas for Small Business/Idea of the Day

# Takeaway Tips



- Conduct your activity in a businesslike manner to increase sales and gain tax advantage
- Use systems and strategies to ramp up activities to a business level
- Continue to learn, learn, learn

# Summary



- Take steps to set up your business properly
- Run your business effectively and profitably
- Take your business to the next level



# Q&A

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